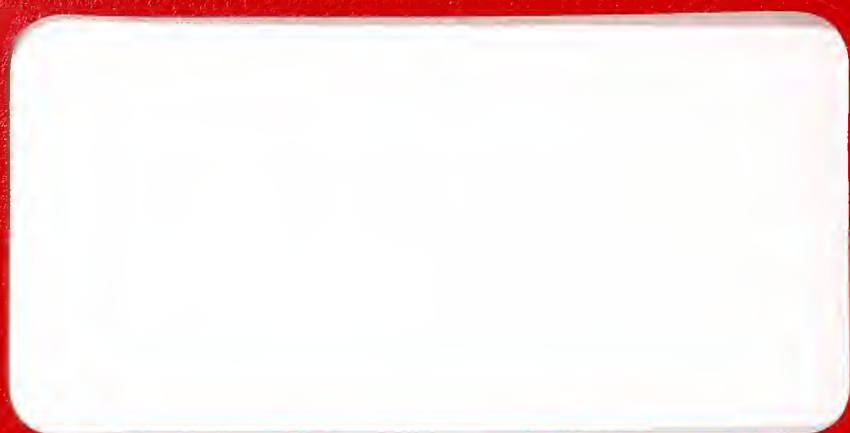


**European Trends in  
Customer Service  
1985-1990**

**April 1986**

INPUT





**European Trends in  
Customer Service  
1985-1990**

**April 1986**



## AGENDA

- |                              |   |
|------------------------------|---|
| <b>9:40 a.m.-10:30 a.m.</b>  | <b>European Trends in Customer Service, 1985-1990</b>                                       |
| <b>10:30 a.m.-11:00 a.m.</b> | <b>Coffee and Information Exchange<br/>Break</b>  |
| <b>11:00 a.m.-12:30 p.m.</b> | <b>Customer Service Markets in the<br/>U.S.A., 1985-1990<br/><br/>John Erlandson, INPUT</b> |
| <b>12:45 p.m.-2:15 p.m.</b>  | <b>Lunch</b>  |

VSEM  
1986  
C.1

AUTHOR

TITLE EUROPEAN TRENDS IN  
CUSTOMER SERVICE 1985-1986

DATE  
LOANED

BORROWER'S NAME





## **AGENDA (Cont.)**

**2:15 p.m.-3:45 p.m.**

### **Industry Panel Session**

- **Roger Burrell - Director of Services,  
ICL U.K.**
  - **Roger Harris - Managing Director,  
Computer Field Maintenance Ltd.**
  - **Kevin Godfrey -  
Director of Customer Engineering,  
British Olivetti Ltd.**
  - **David Stubbs - Technical Director,  
Philips Business Systems**
  - **John Bache - Association of  
Field Service Managers**
-



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## **AGENDA (Cont.)**

**3:45 p.m.-4:30 p.m.**

**Panel - Questions and Answers**

**4:30 p.m.**

**Tea**



**European Trends in  
Customer Service  
1985-1990**





- 1. European Customer Service Research Program**
  - 2. European Customer Services Market**
  - 3. User Needs Analysis**
  - 4. Service Pricing**
  - 5. Independent Maintenance**
  - 6. Conclusions**
-





## **CUSTOMER SERVICE PROGRAM EUROPE - 1985**

- **The Measurement of Customer Satisfaction**
  - **Spares - Investment Policies and Control**
  - **Third Party Maintenance Market in Europe - 1985**
  - **Customer Service Pricing**
  - **User Requirements in Customer Service**
  - **Customer Service Management Development**
-



**CUSTOMER SERVICE PROGRAM  
EUROPE - 1985**

- **Hardware Vendors' Response to Independent Maintenance**
  - **Value-Added Customer Service Products**
  - **Customer Service Implications of Network Convergence with Telecommunications**
  - **Market Analysis Customer Service - Europe**
-





## **CUSTOMER SERVICE PROGRAM EUROPE - 1986**

### **STUDIES**

- **Vendor Software Support Strategies**
  - **Future Service Market Requirements**
  - **Pricing of Customer Service**
  - **Vendors - New Service Offerings  
Analysis**
-





**CUSTOMER SERVICE PROGRAM  
EUROPE - 1986**

**STUDIES**

- **Remote Diagnostics in European Service**
  - **Third Party Maintenance Market Analysis**
  - **The Changing Role of the Engineer**
  - **Market Analysis Customer Service - Europe**
-



**CUSTOMER SERVICE PROGRAM  
EUROPE - 1986**

**CLIENT**

**SUPPORT • Quarterly 'Hotline' Summaries**

**• Executive 'Hotline'**

**• Annual Presentation**

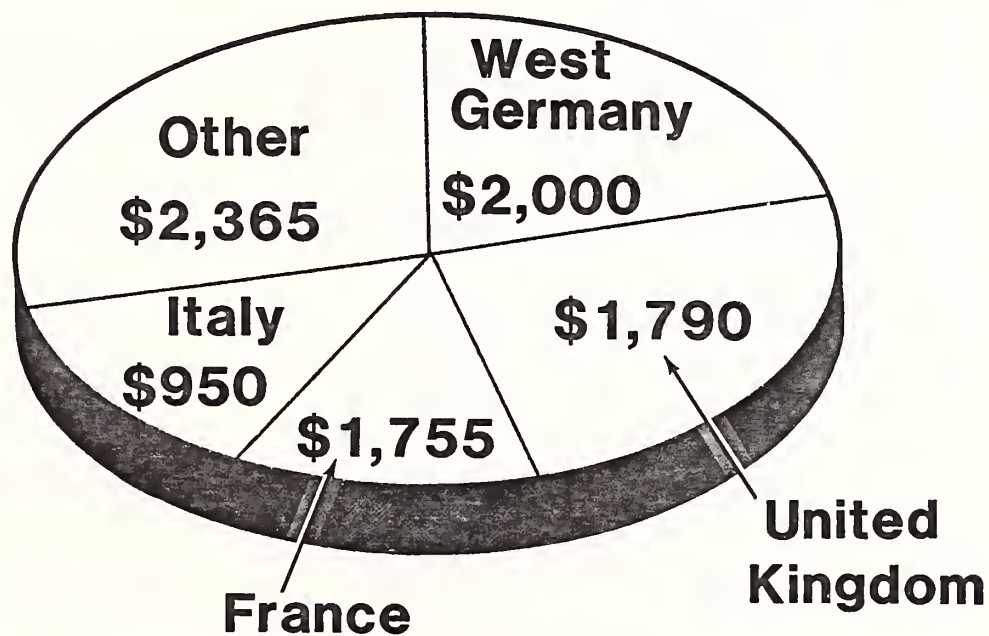




# **European Customer Services Market**



## EUROPEAN SERVICE MARKET 1985 (\$ Millions)



**Total Market: \$8,860**

Source: INPUT Estimates



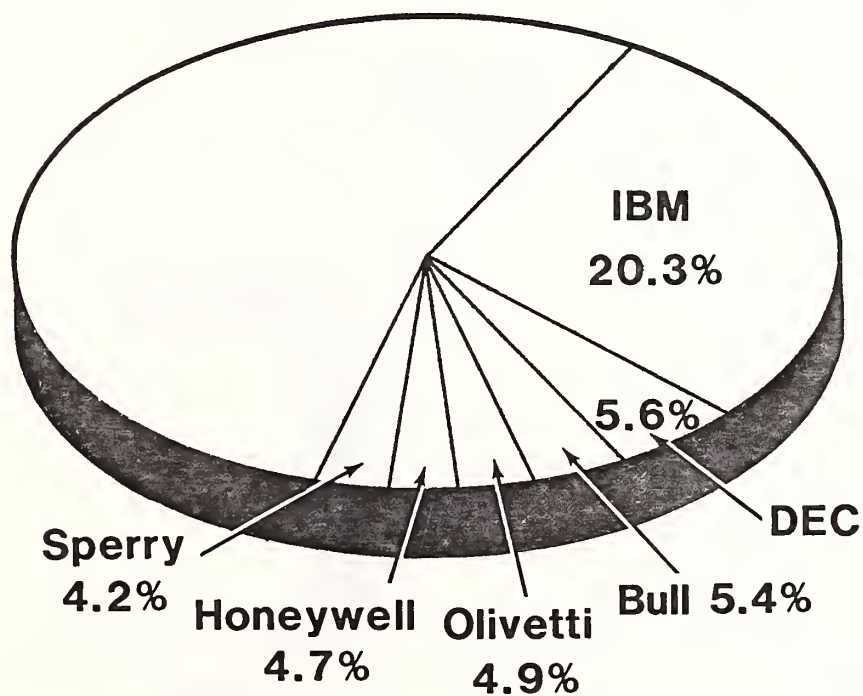


**EUROPEAN SERVICE REVENUES  
BY LEADING VENDORS**

<b>Vendor</b>	<b>\$ Millions</b>	<b>Percent of Total DP Revenue</b>
<b>IBM</b>	<b>\$1,800</b>	<b>20.9%</b>
<b>DEC</b>	<b>500</b>	<b>25.4</b>
<b>Bull</b>	<b>480</b>	<b>23.0</b>
<b>Olivetti</b>	<b>430</b>	<b>25.3</b>
<b>Others</b>	<b>5,374</b>	<b>N/A</b>
<b>Independent Maintenance</b>	<b>276</b>	<b>100</b>
	<b>\$8,860</b>	



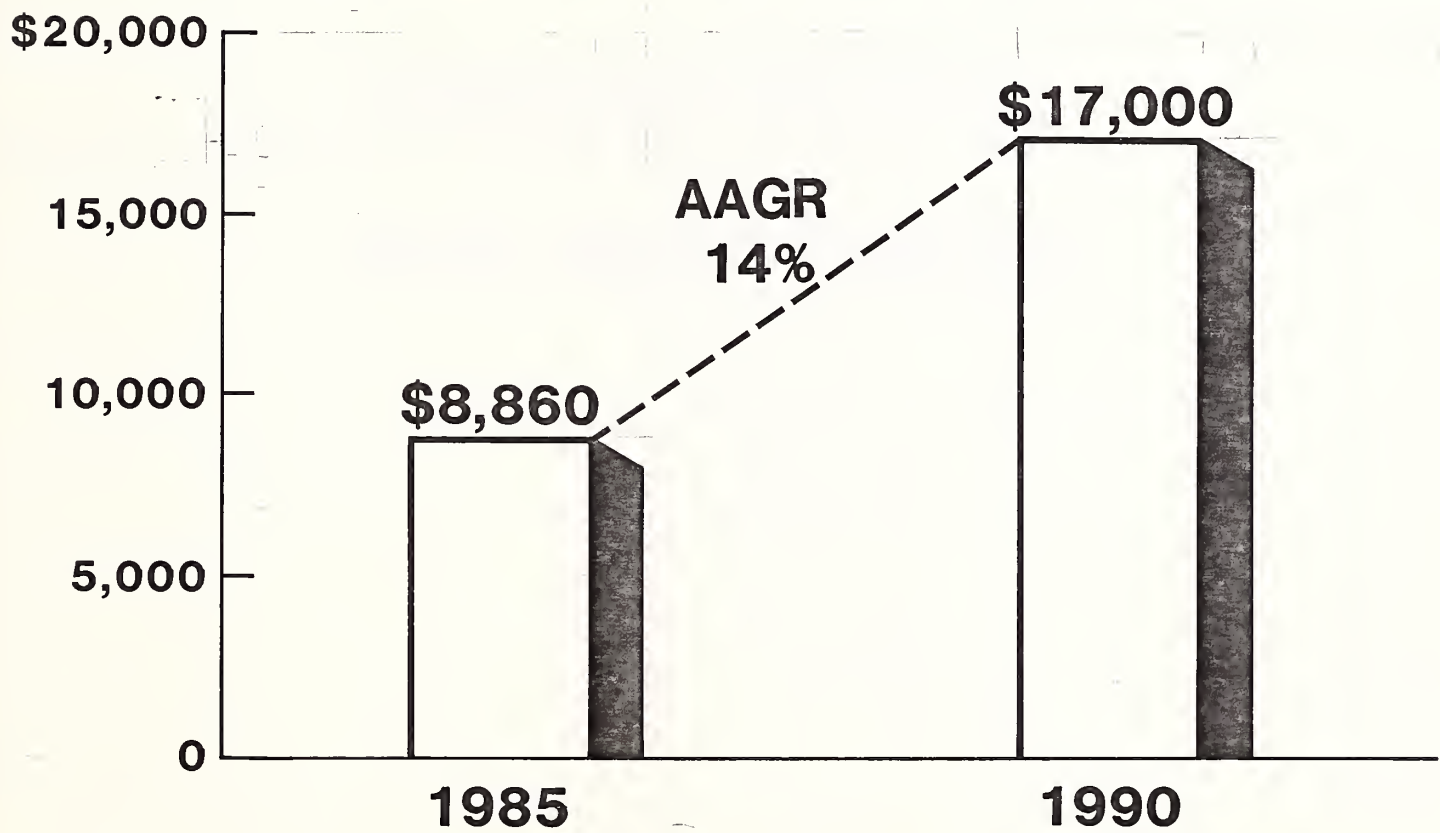
## EUROPEAN SERVICE MARKET SHARE OF LEADING VENDORS



Percent of Total Market of \$8,860 Million



## EUROPEAN SERVICE MARKET GROWTH 1985 - 1990







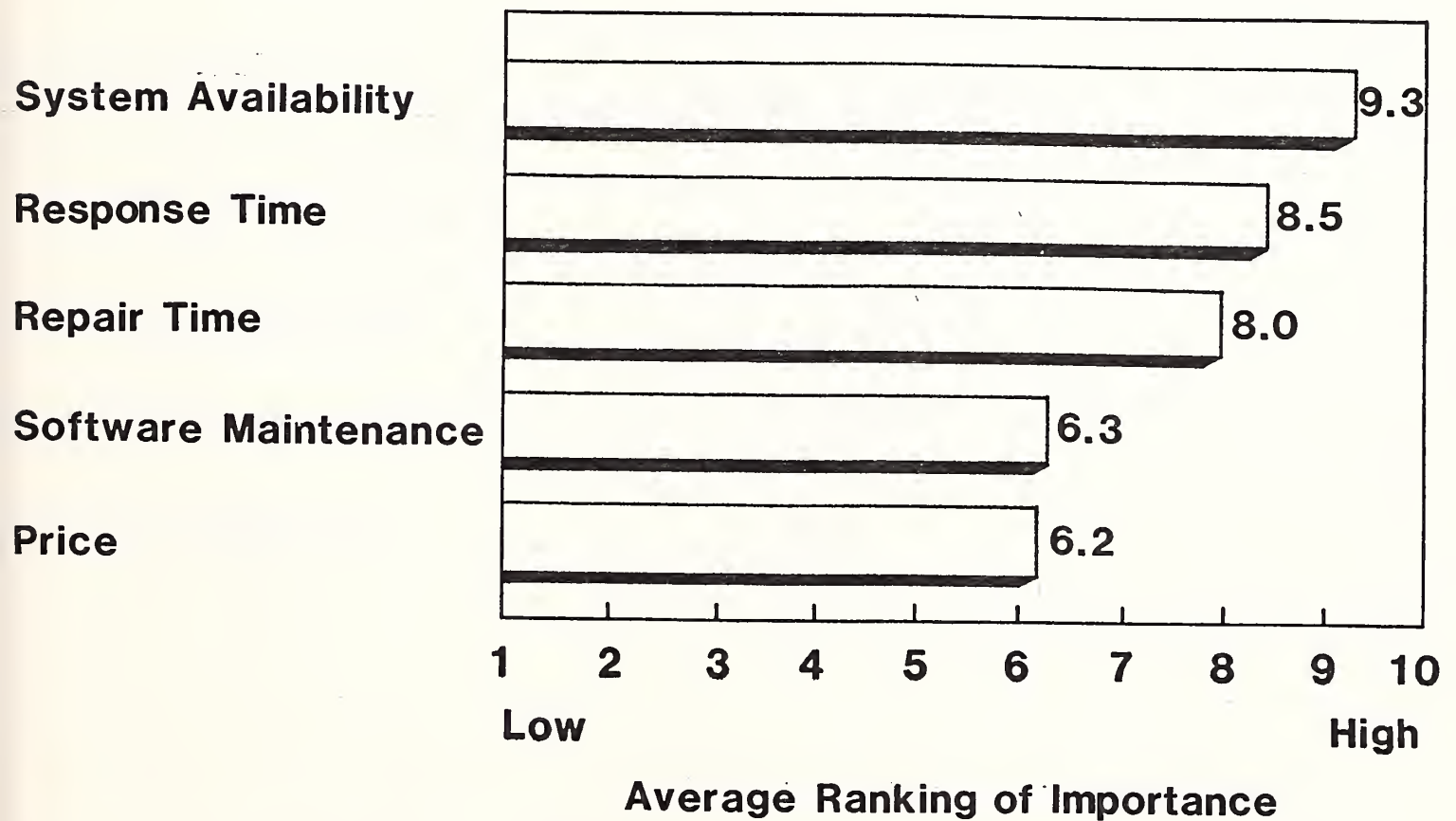
# **Customer Services**

## **User Needs Analysis**

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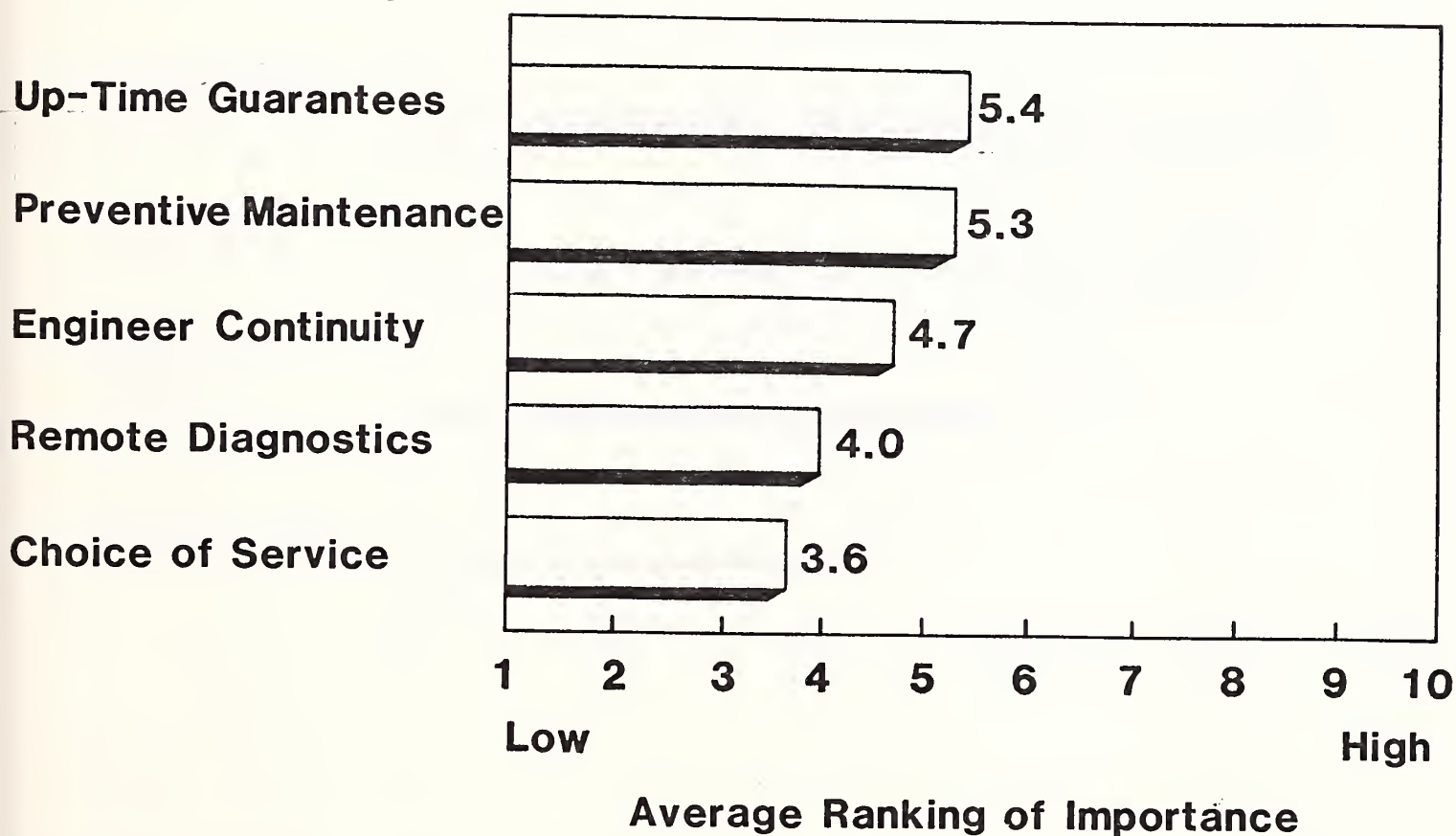
## RELATIVE IMPORTANCE OF SERVICE FACTORS EUROPE





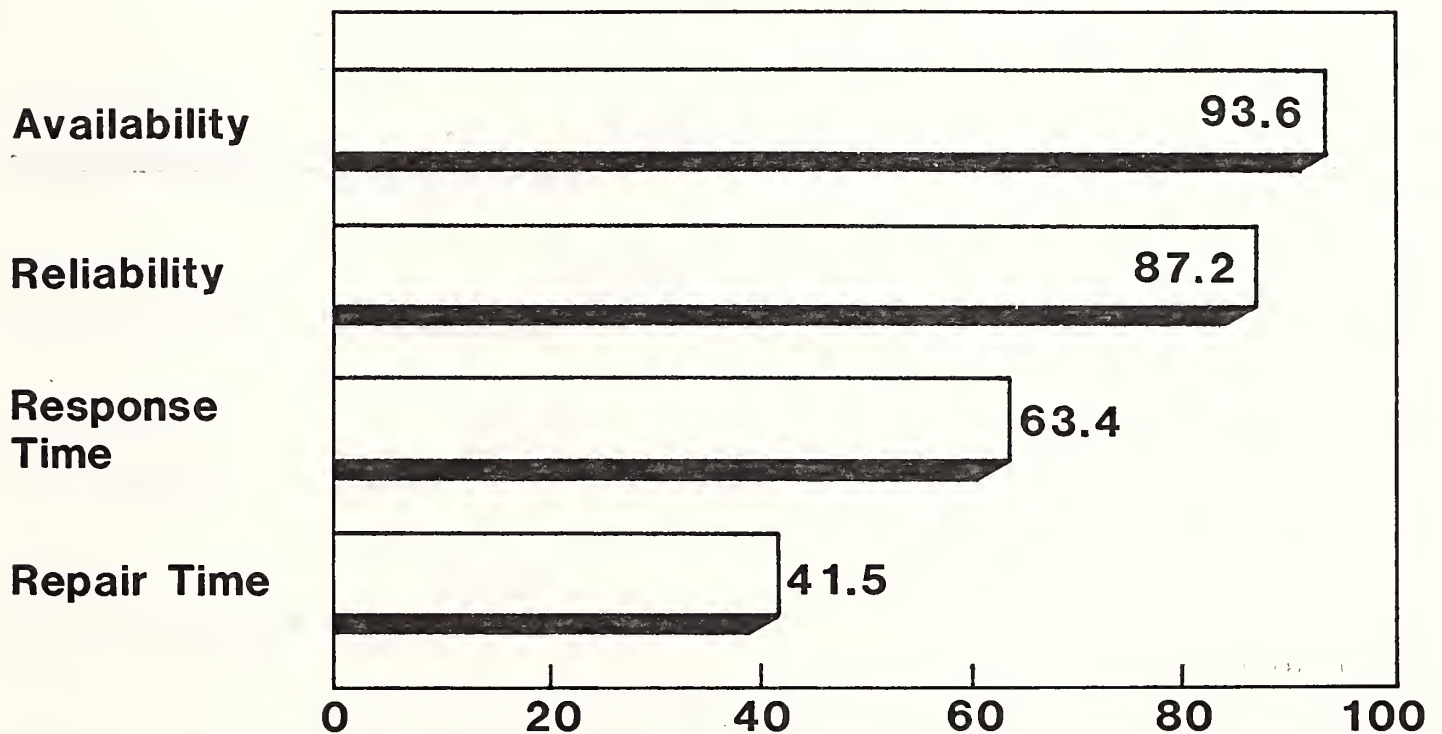


## RELATIVE IMPORTANCE OF SERVICE FACTORS EUROPE



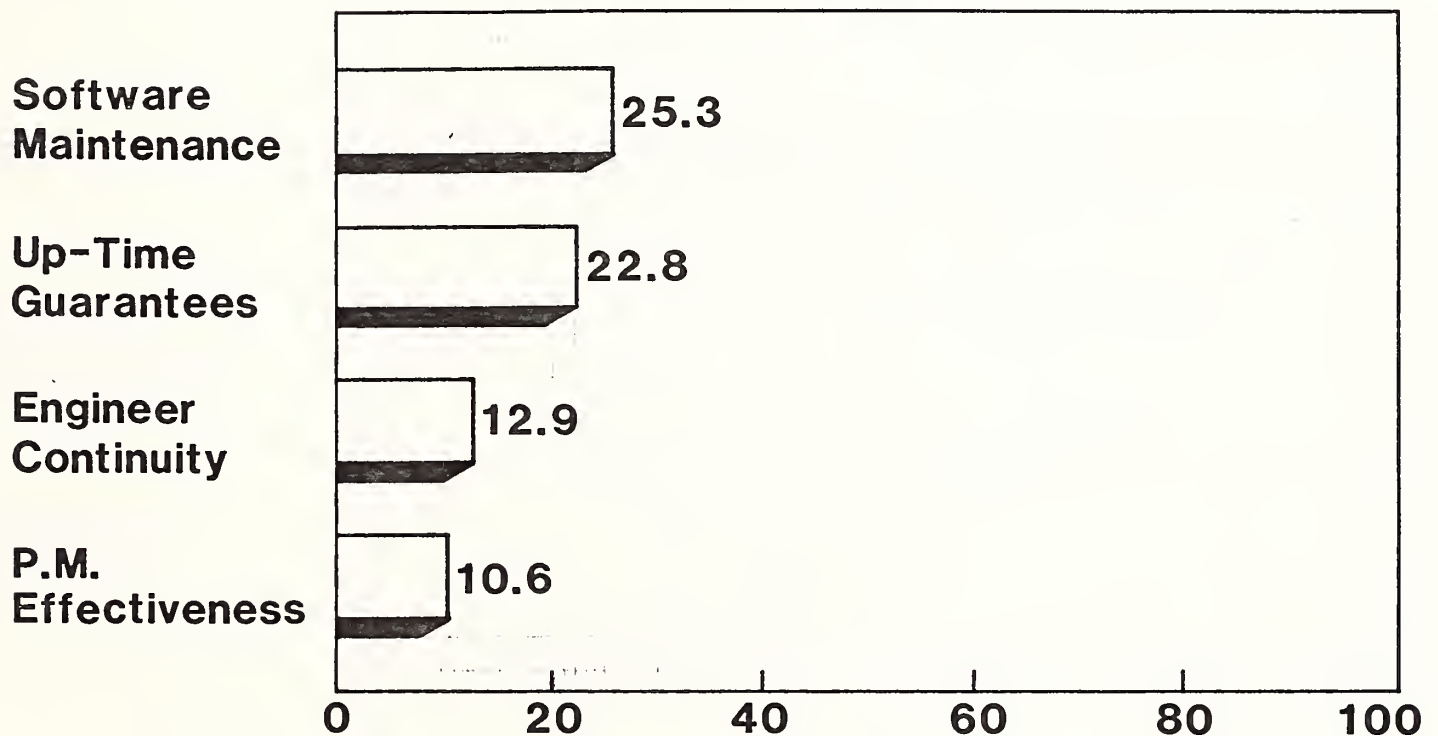


## SERVICE REQUIREMENTS LARGE SYSTEMS





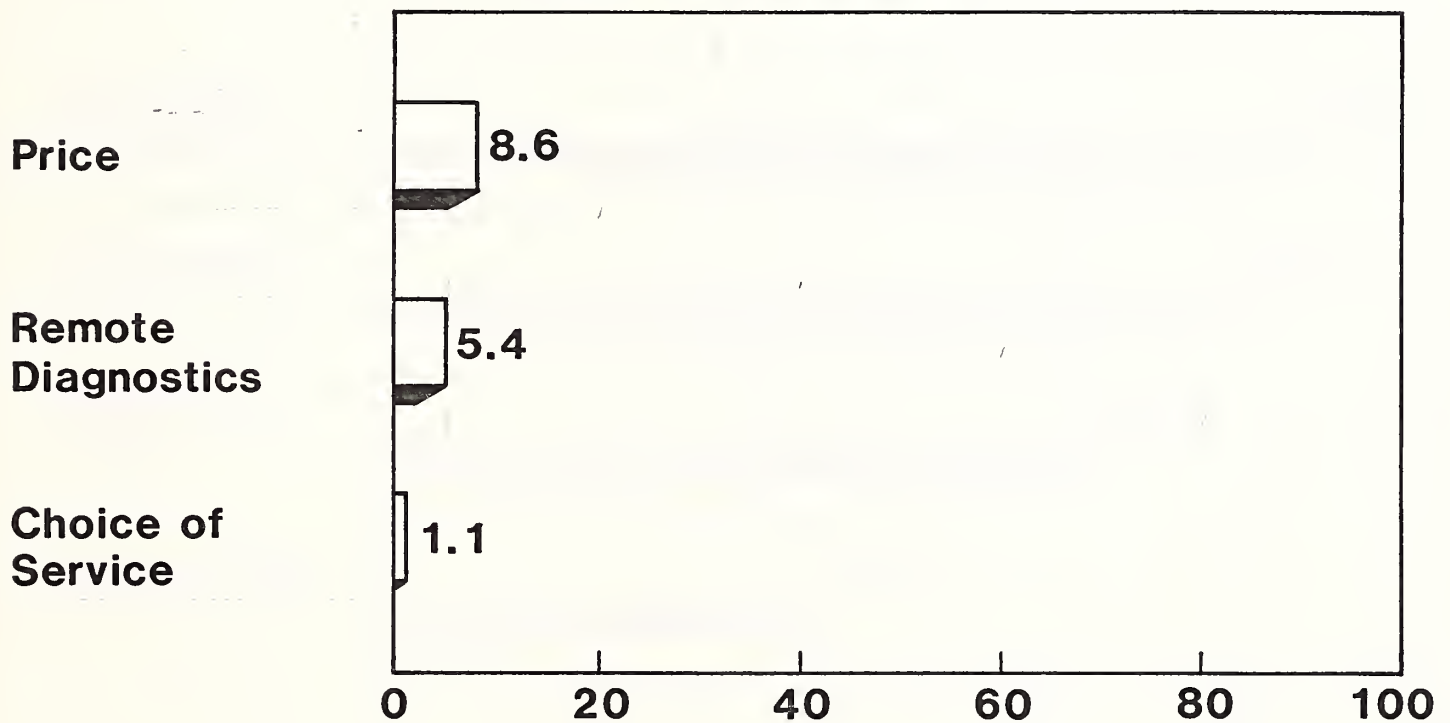
## SERVICE REQUIREMENTS LARGE SYSTEMS





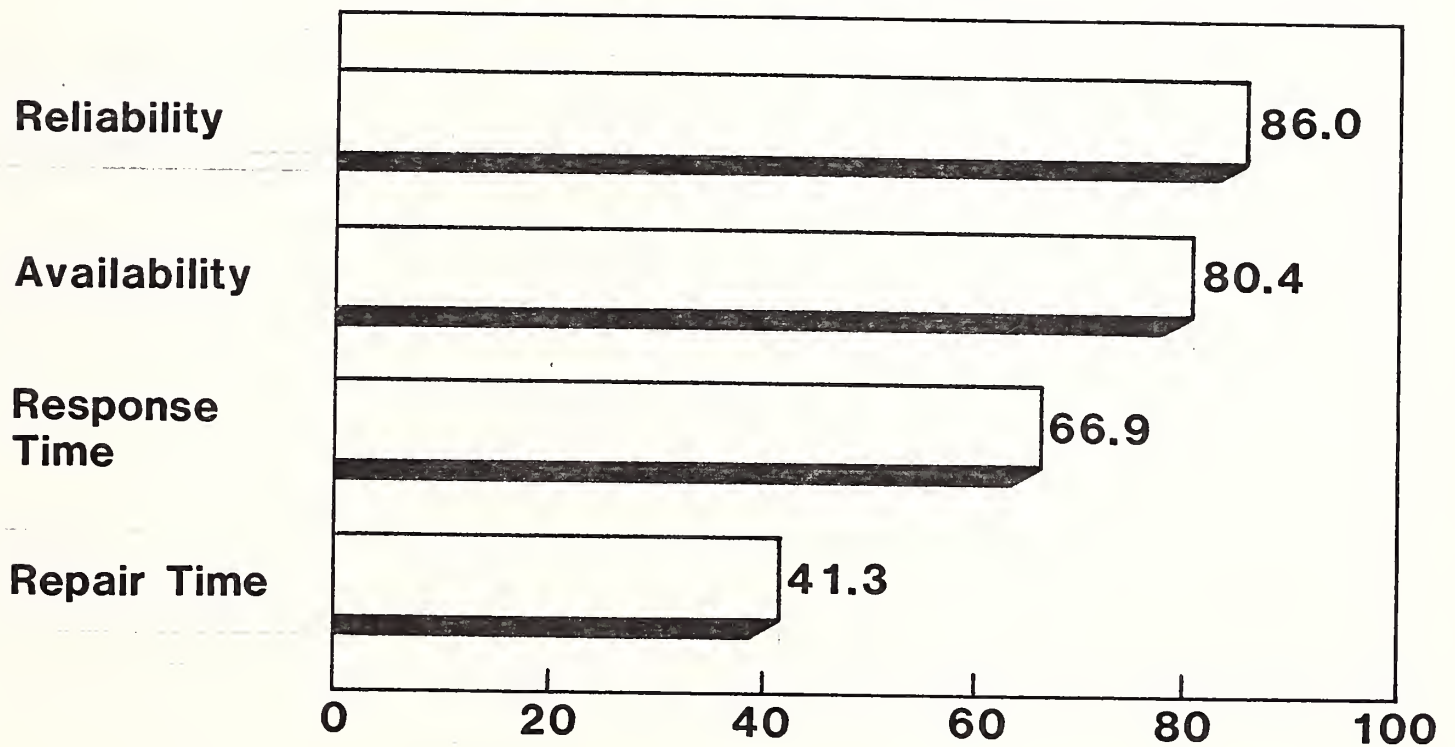


## SERVICE REQUIREMENTS LARGE SYSTEMS



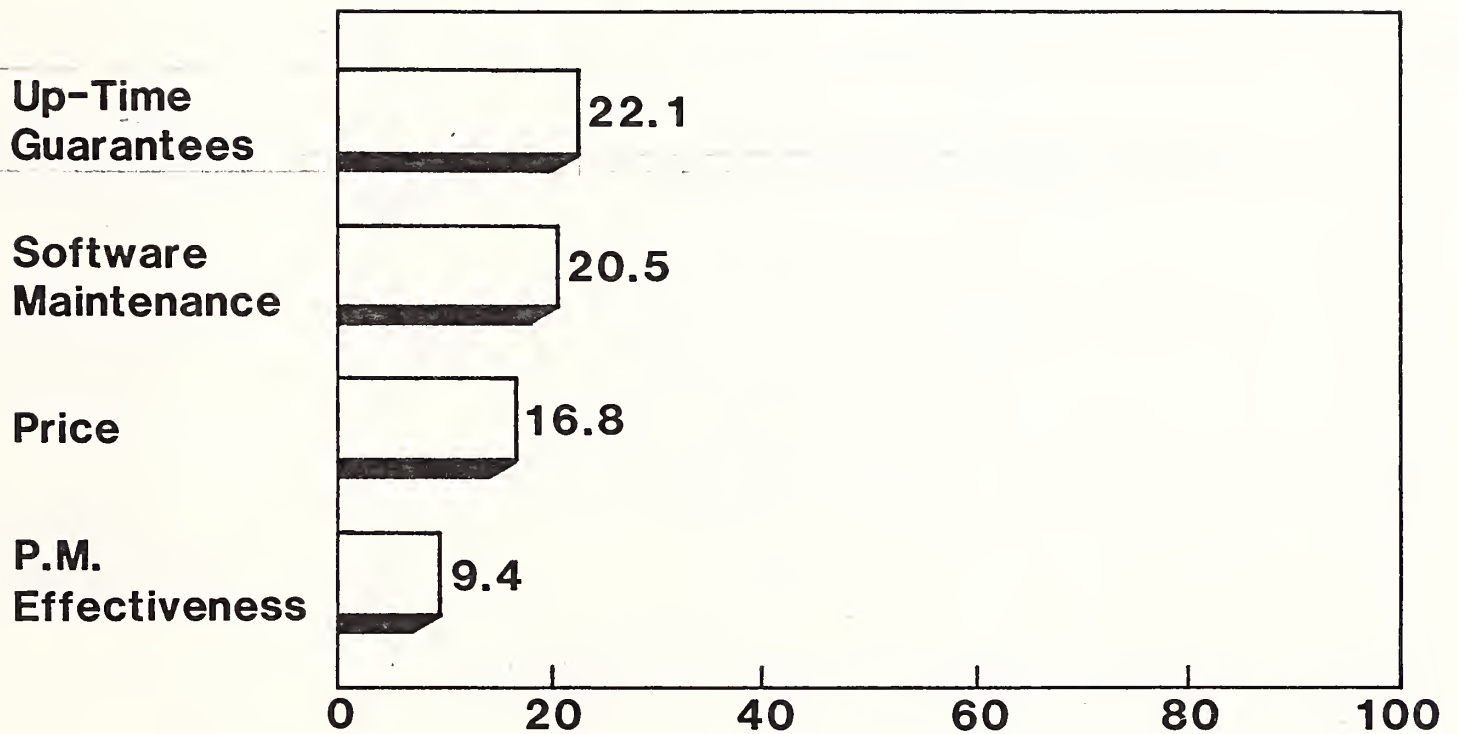


## SERVICE REQUIREMENTS SMALL SYSTEMS





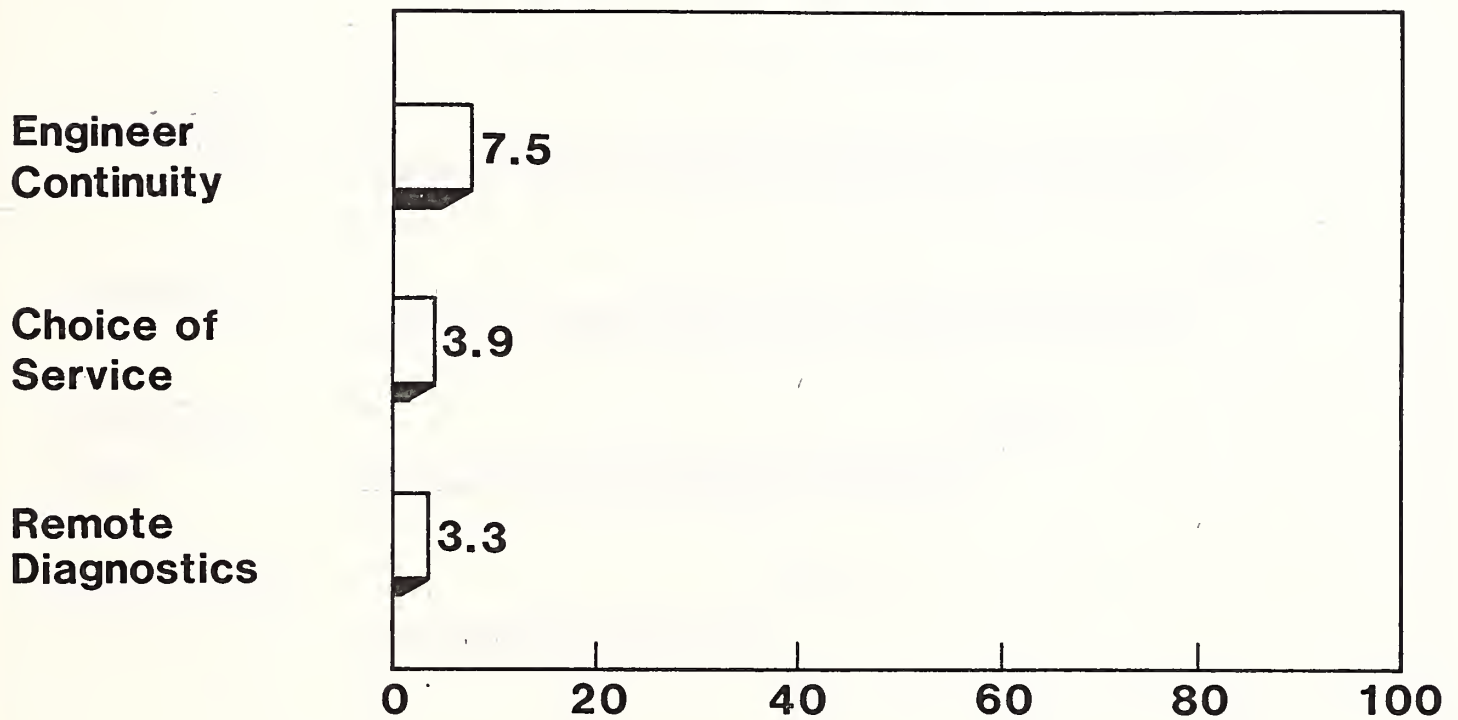
## SERVICE REQUIREMENTS SMALL SYSTEMS





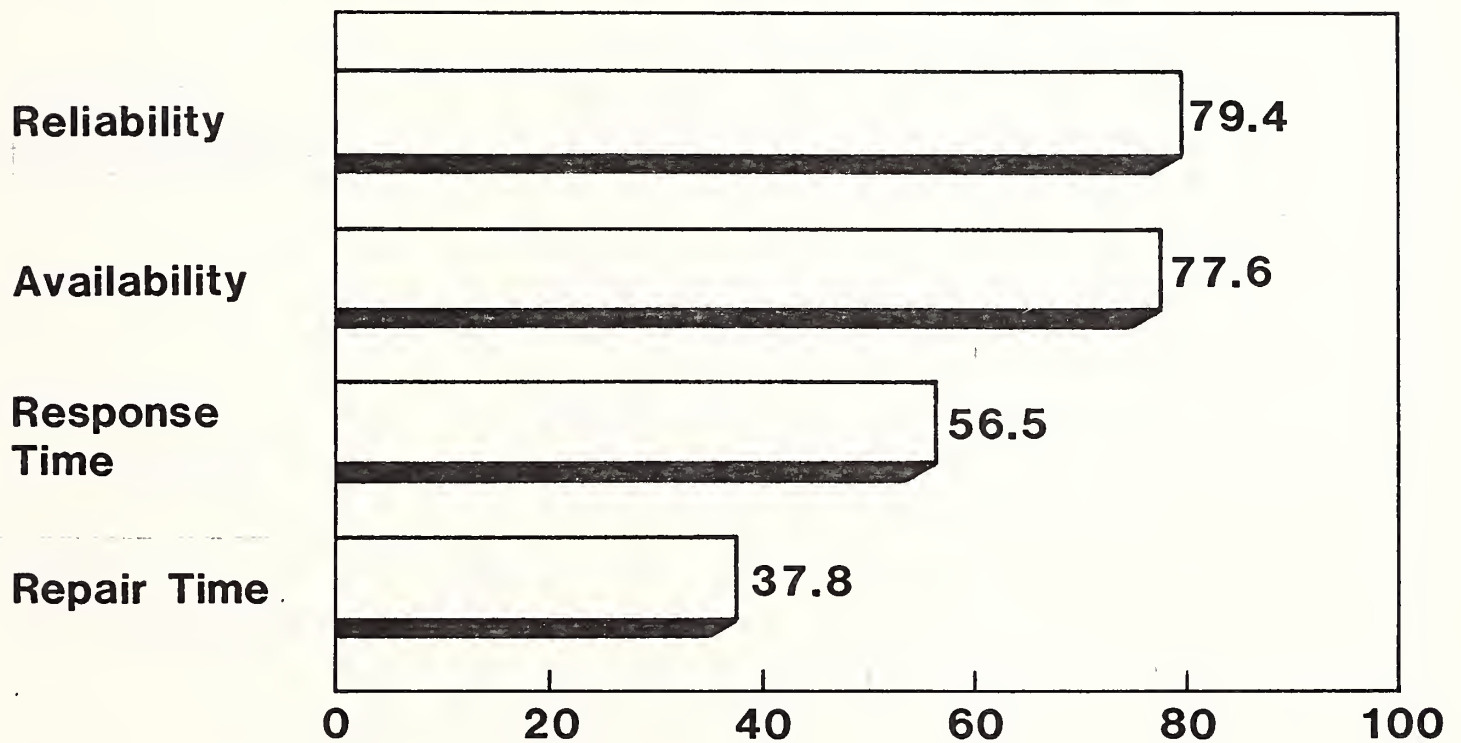


## SERVICE REQUIREMENTS SMALL SYSTEMS



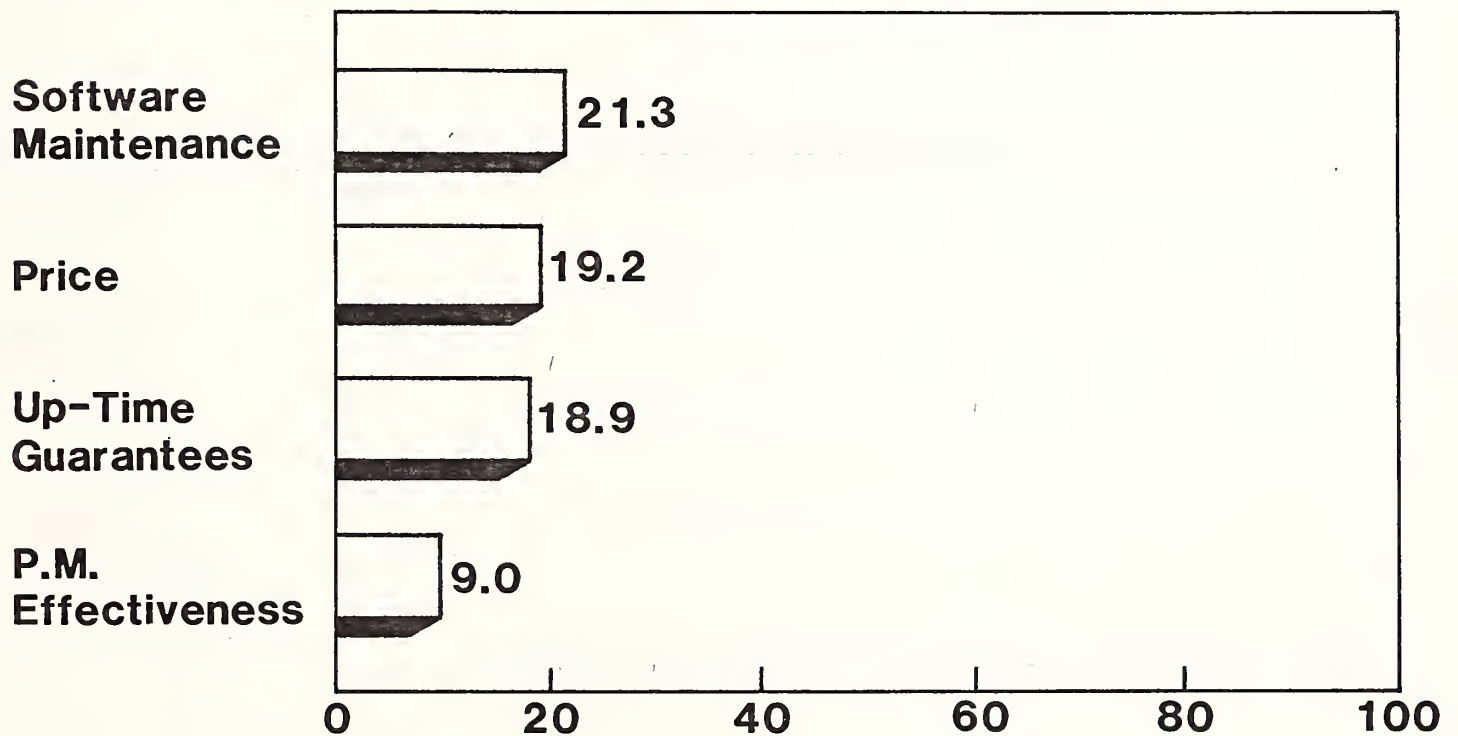


## SERVICE REQUIREMENTS OFFICE AUTOMATION EQUIPMENT



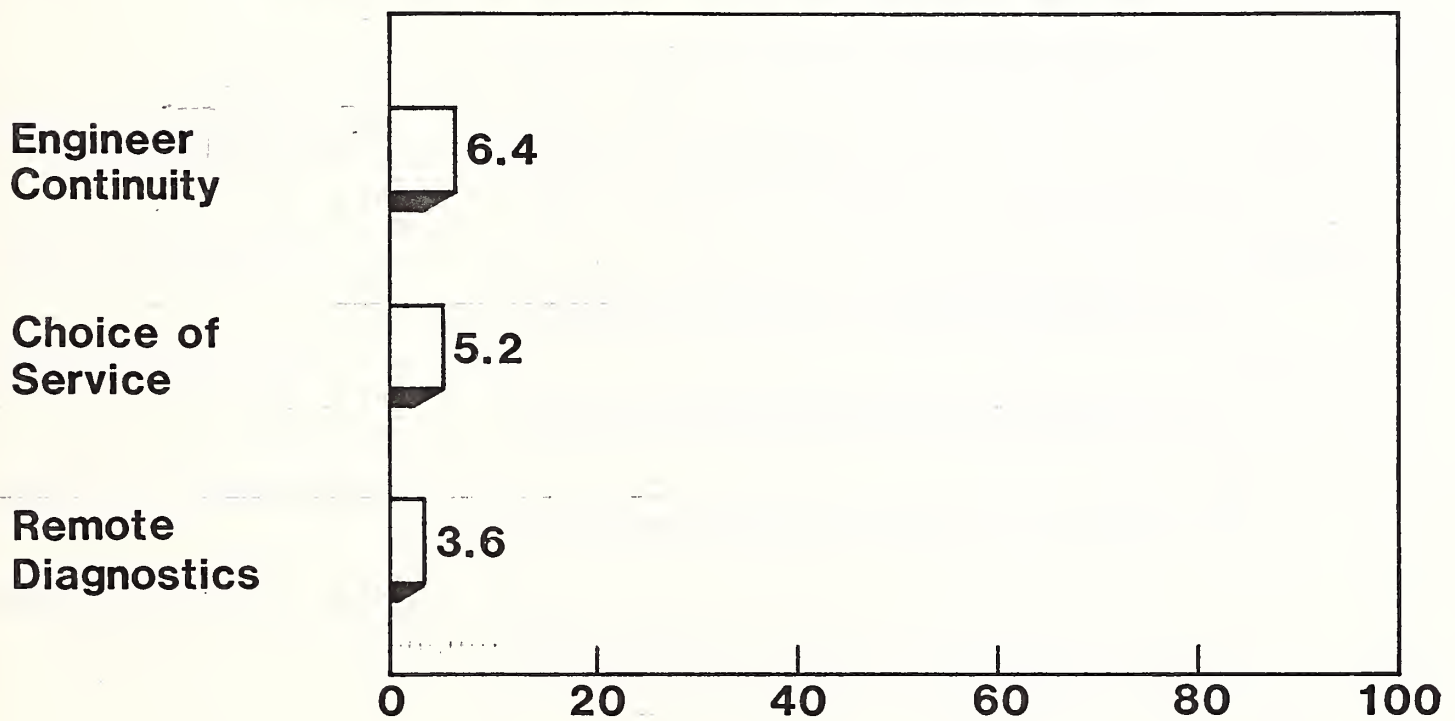


## SERVICE REQUIREMENTS OFFICE AUTOMATION EQUIPMENT





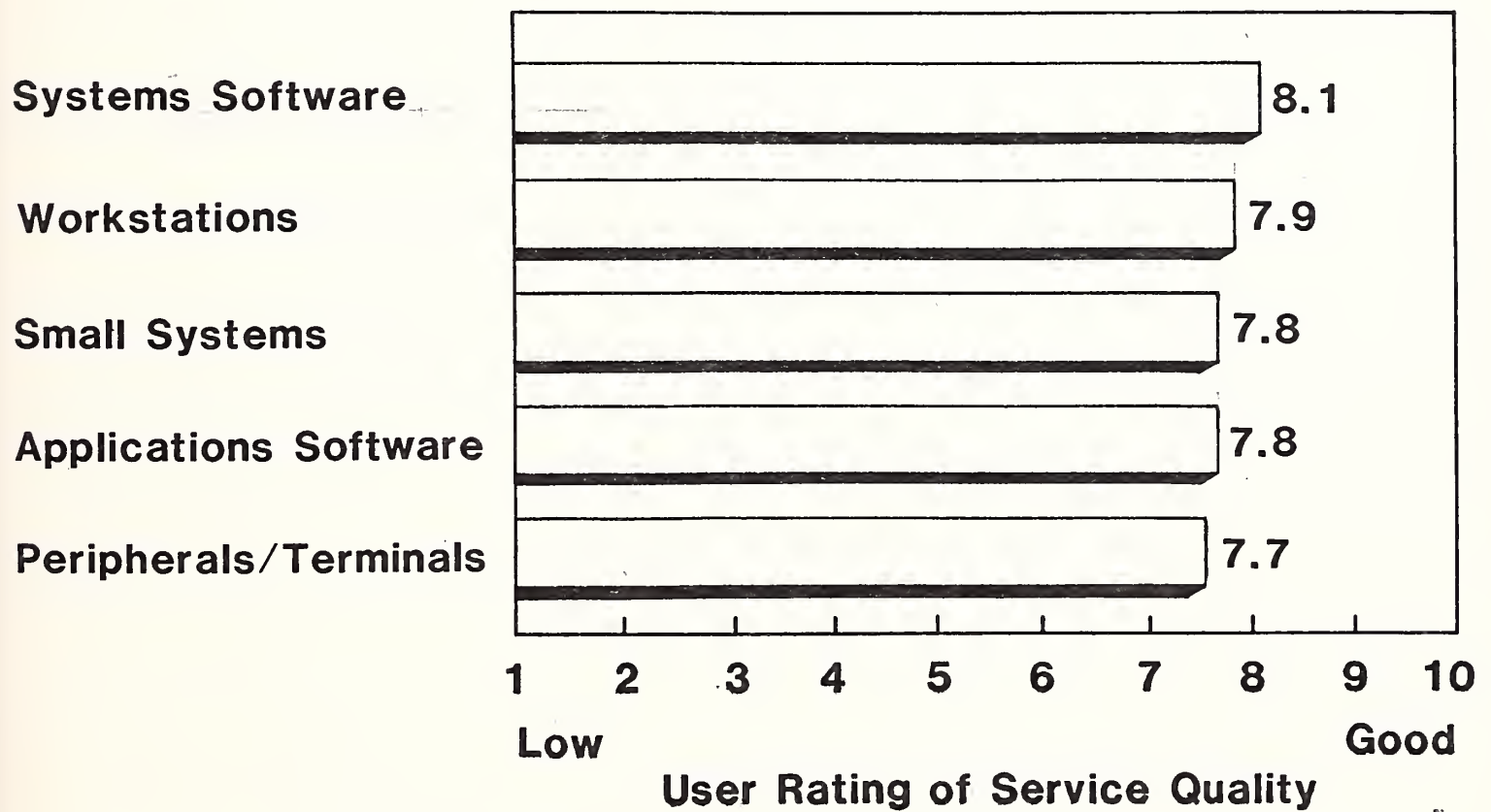
## SERVICE REQUIREMENTS OFFICE AUTOMATION EQUIPMENT





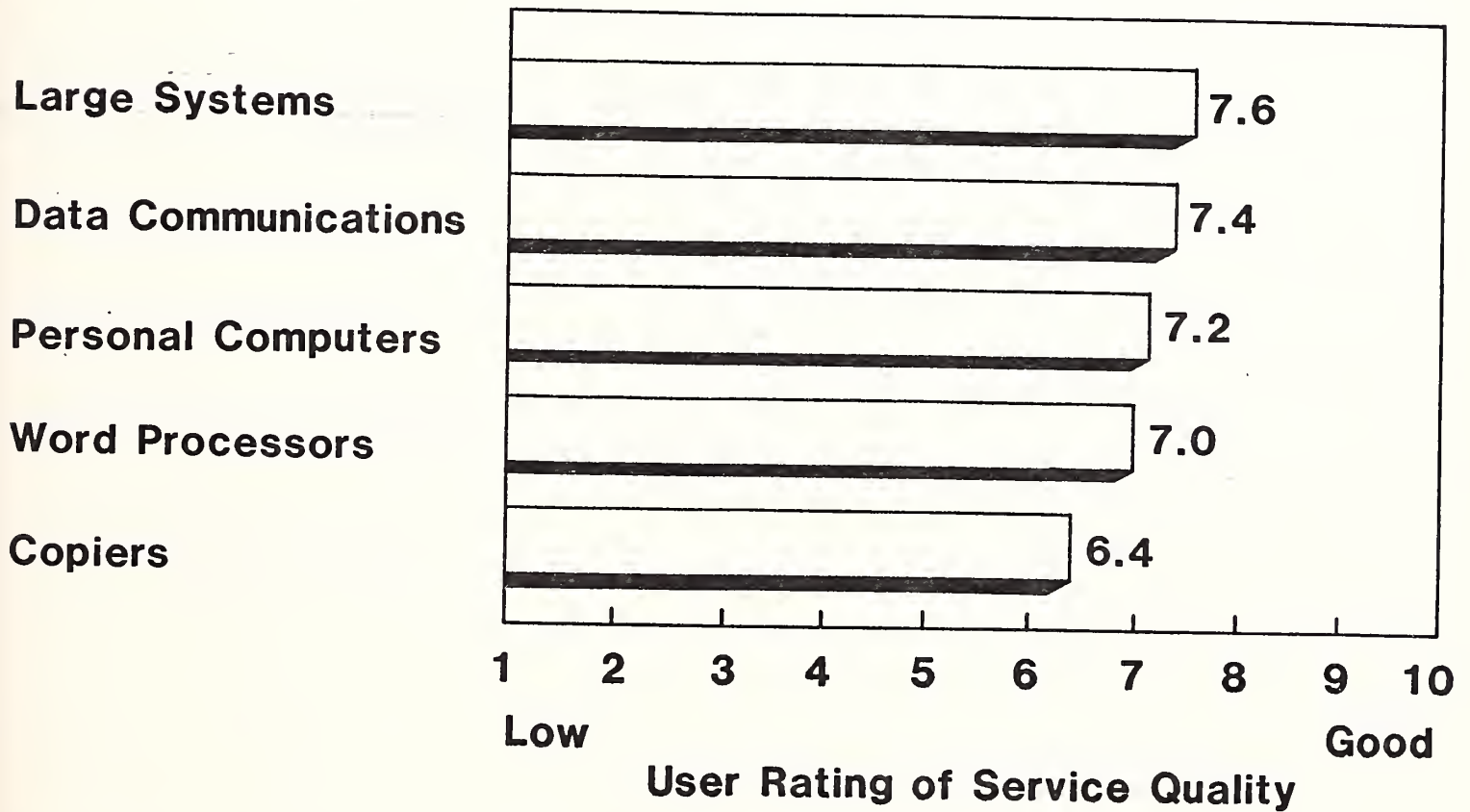


## OVERALL QUALITY OF SERVICE PRODUCTS



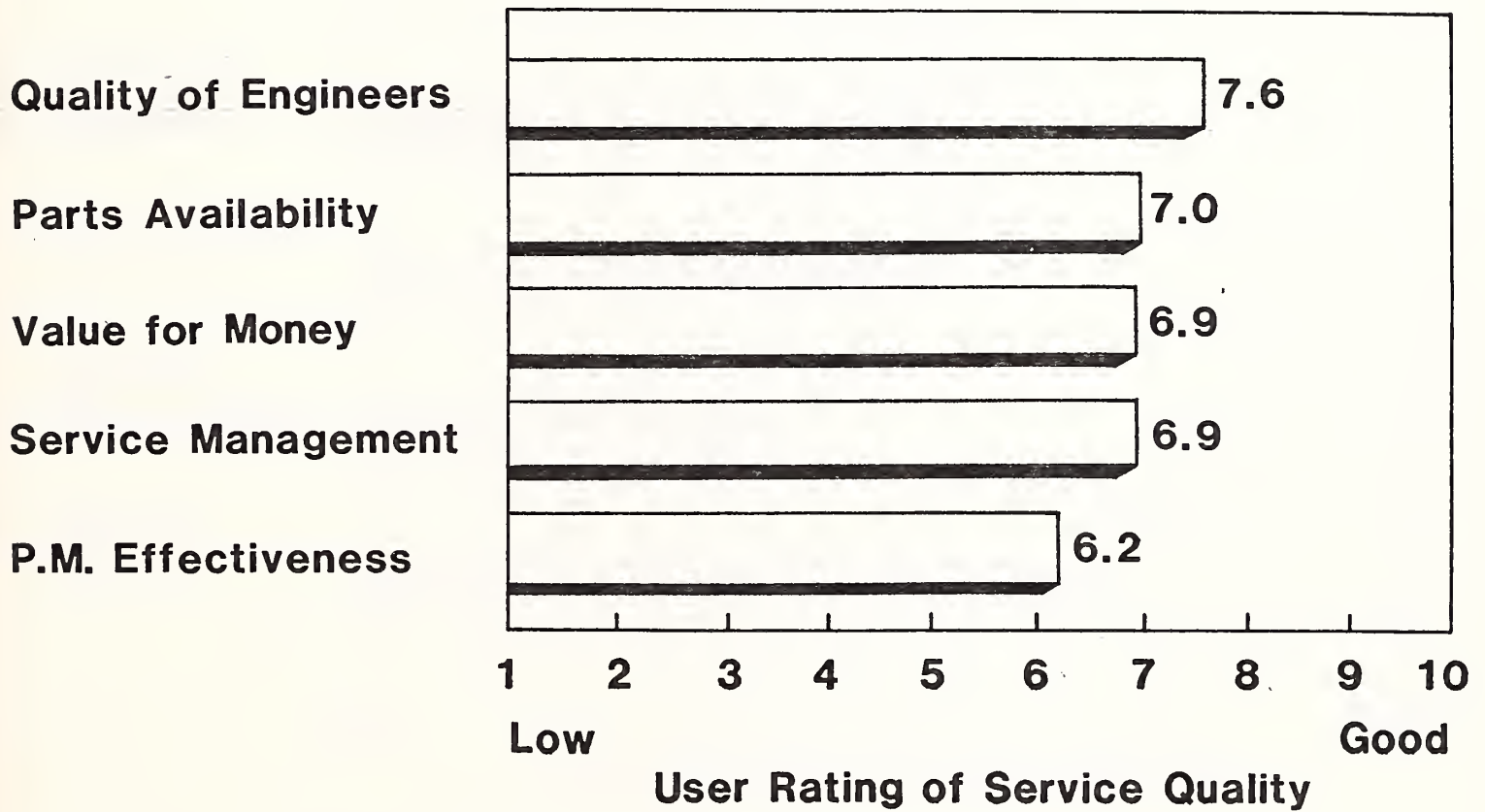


## OVERALL QUALITY OF SERVICE PRODUCTS





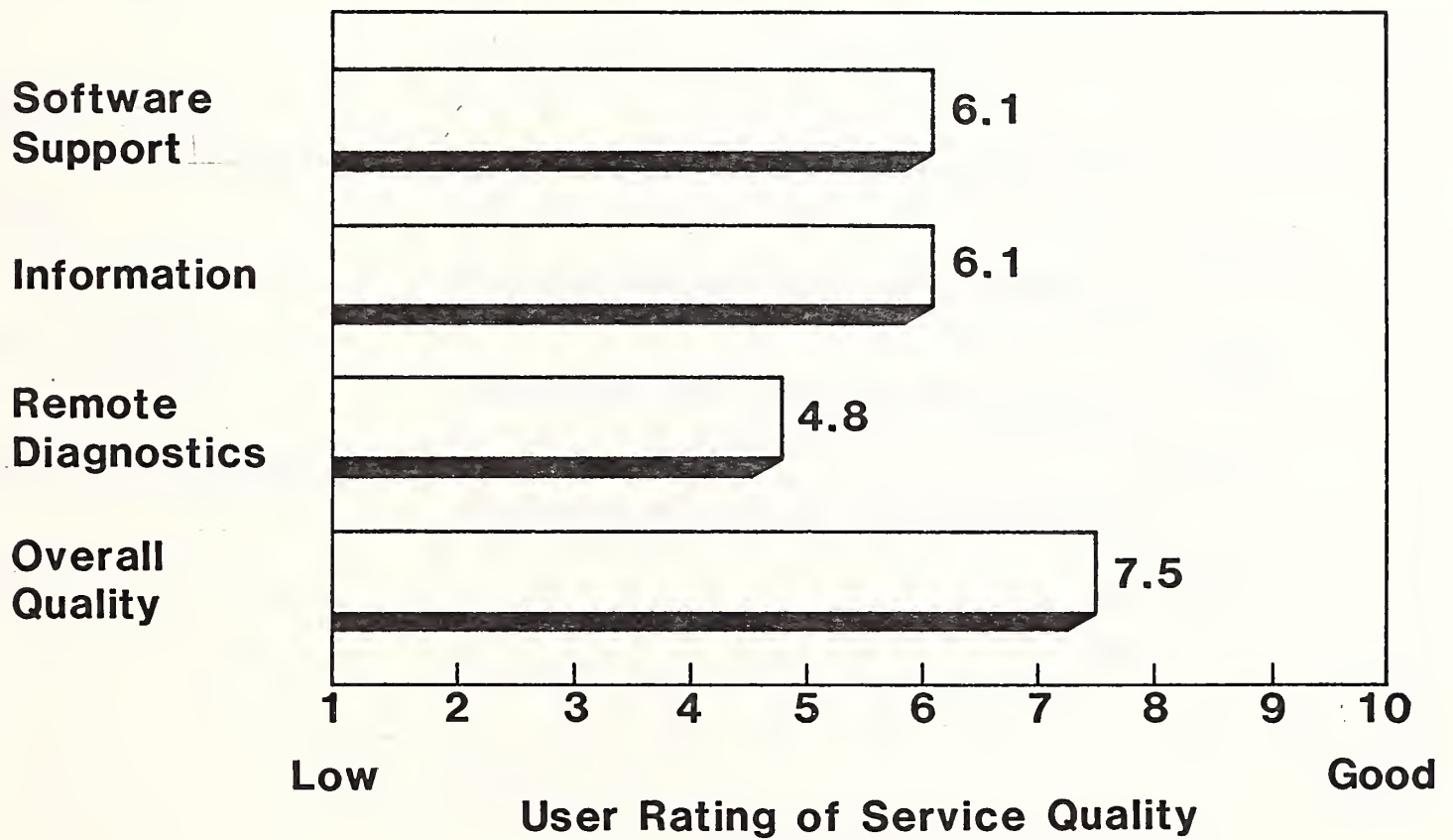
## OVERALL QUALITY OF SERVICE SERVICE ELEMENTS





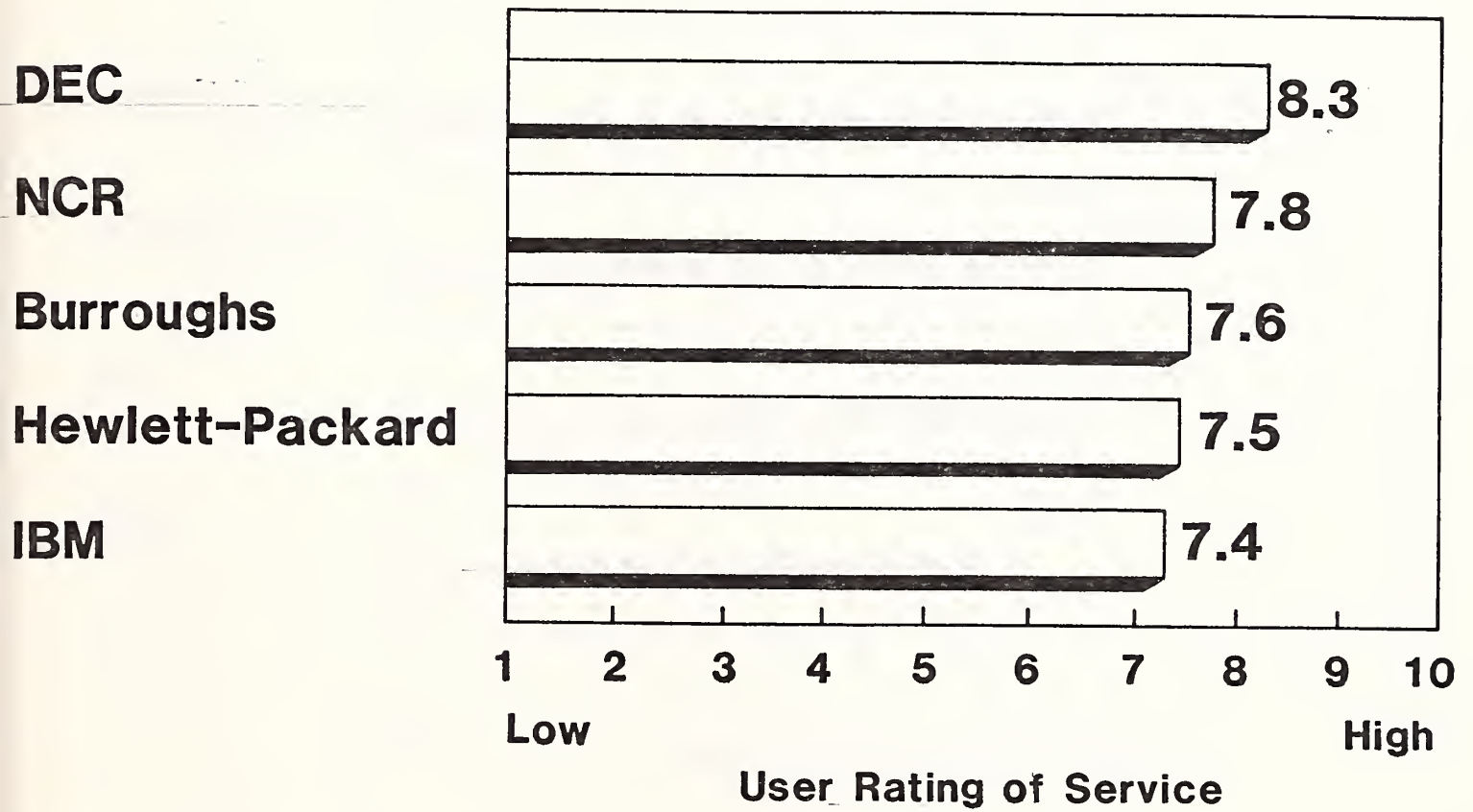


## OVERALL QUALITY OF SERVICE SERVICE ELEMENTS

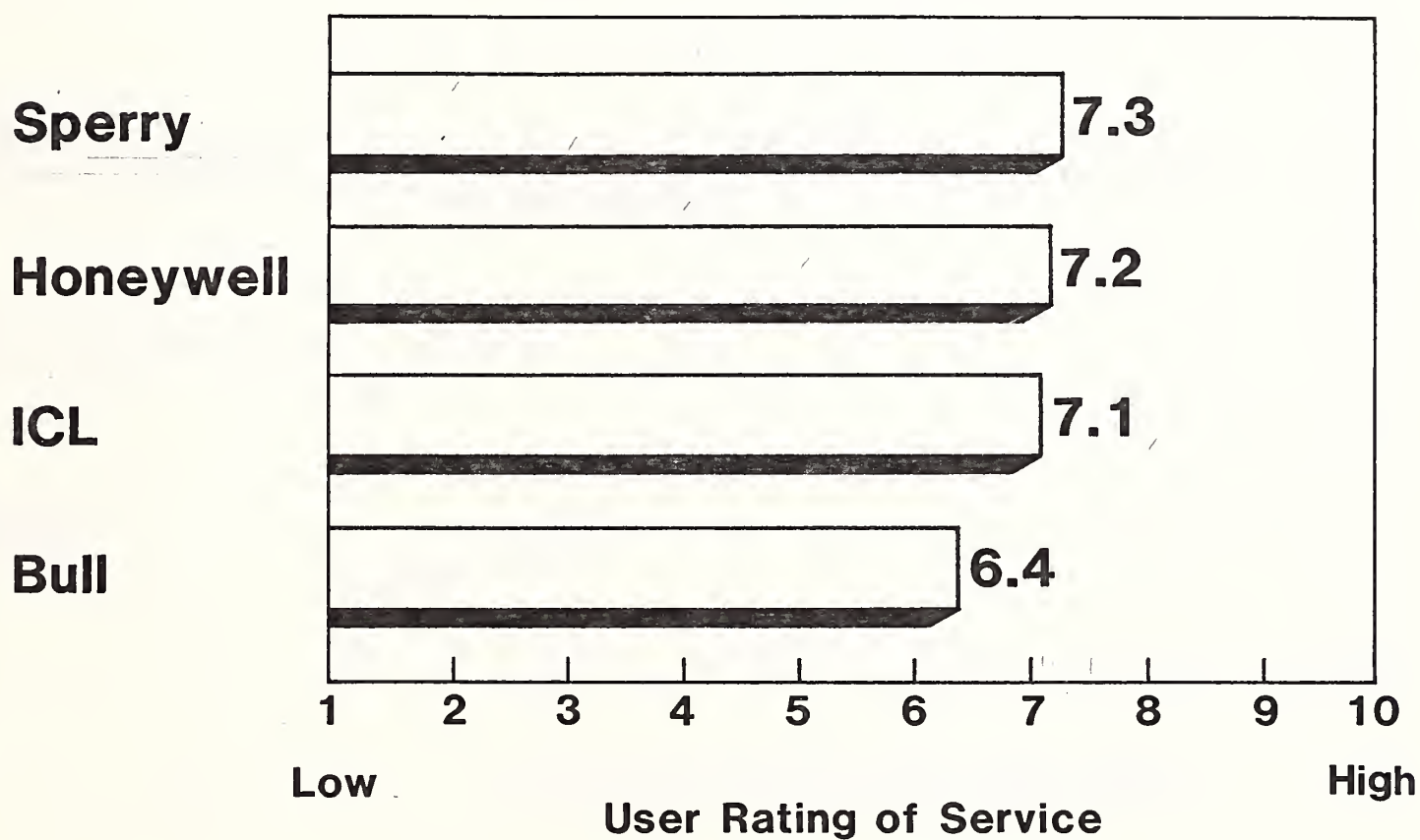




## VENDOR SERVICE PERFORMANCE

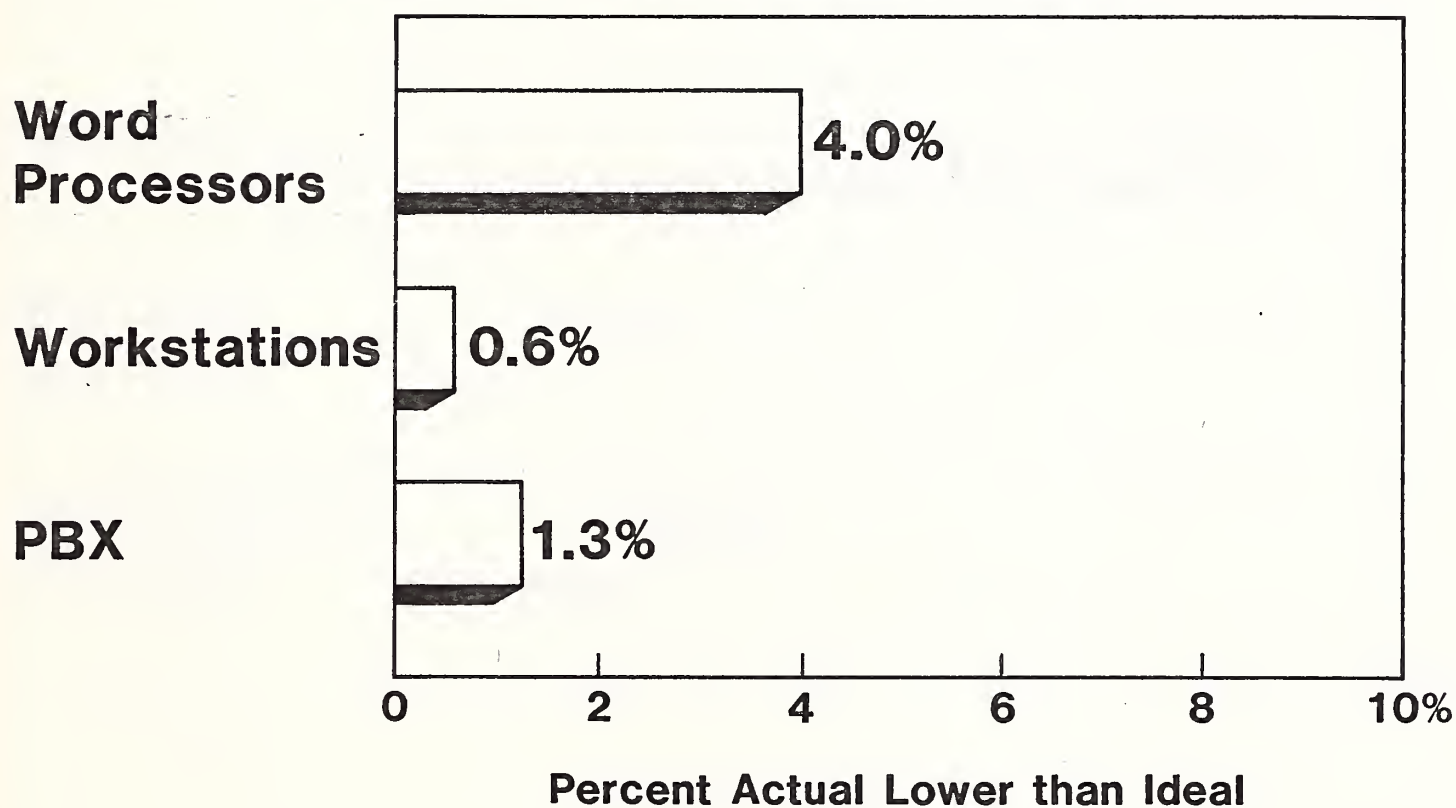




**VENDOR SERVICE PERFORMANCE**



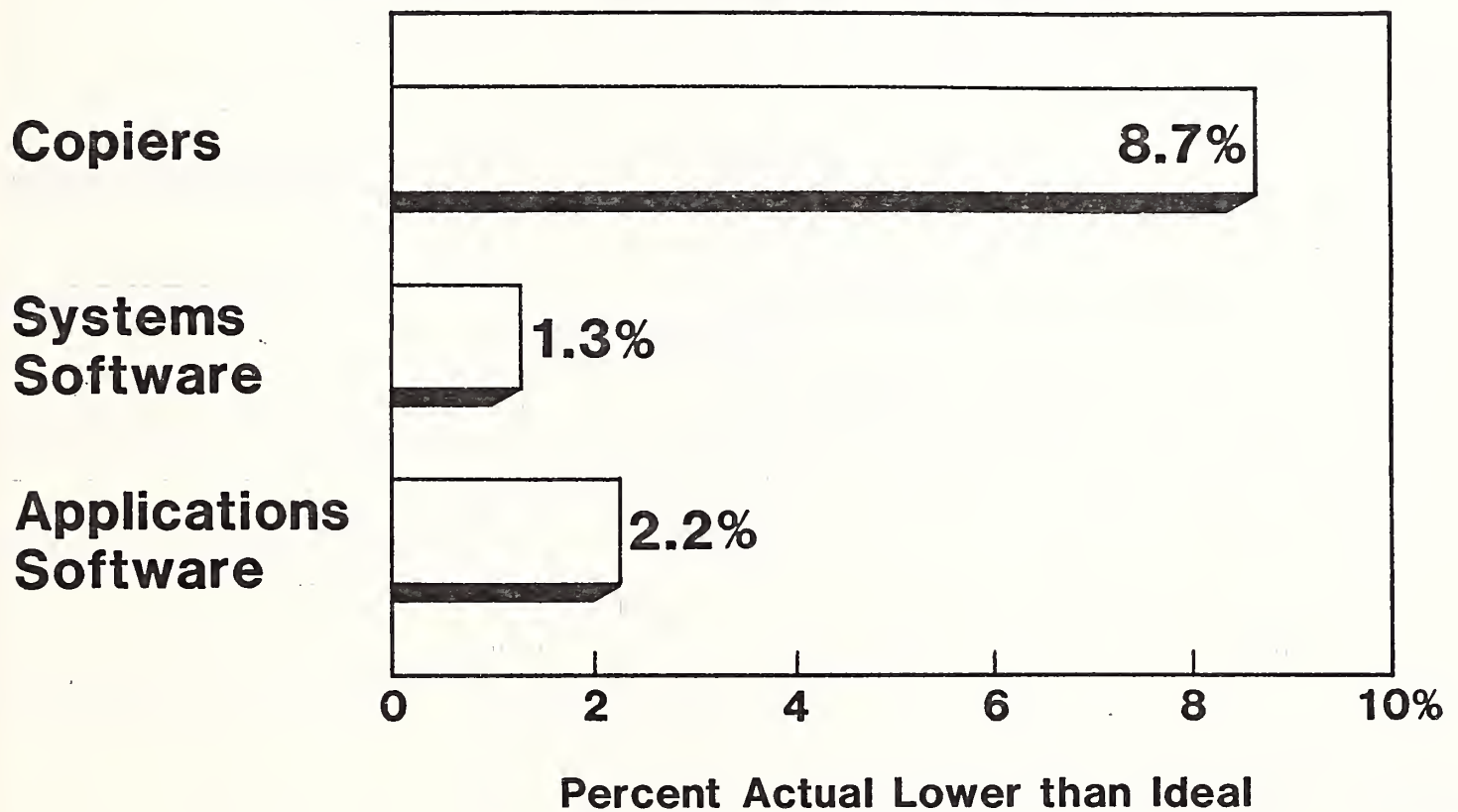
## SYSTEM AVAILABILITY ACTUAL COMPARED TO IDEAL





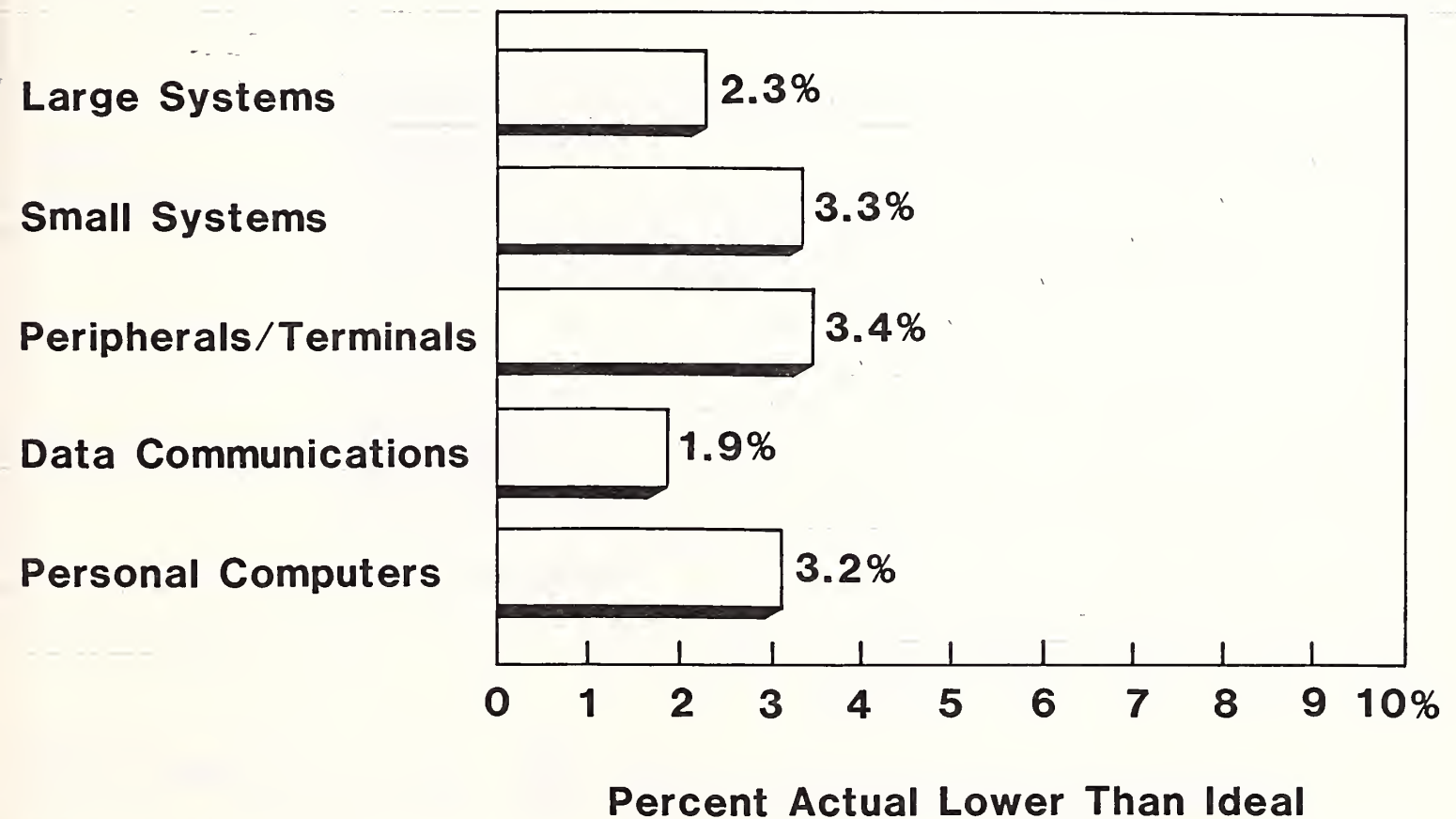


## SYSTEM AVAILABILITY ACTUAL COMPARED TO IDEAL



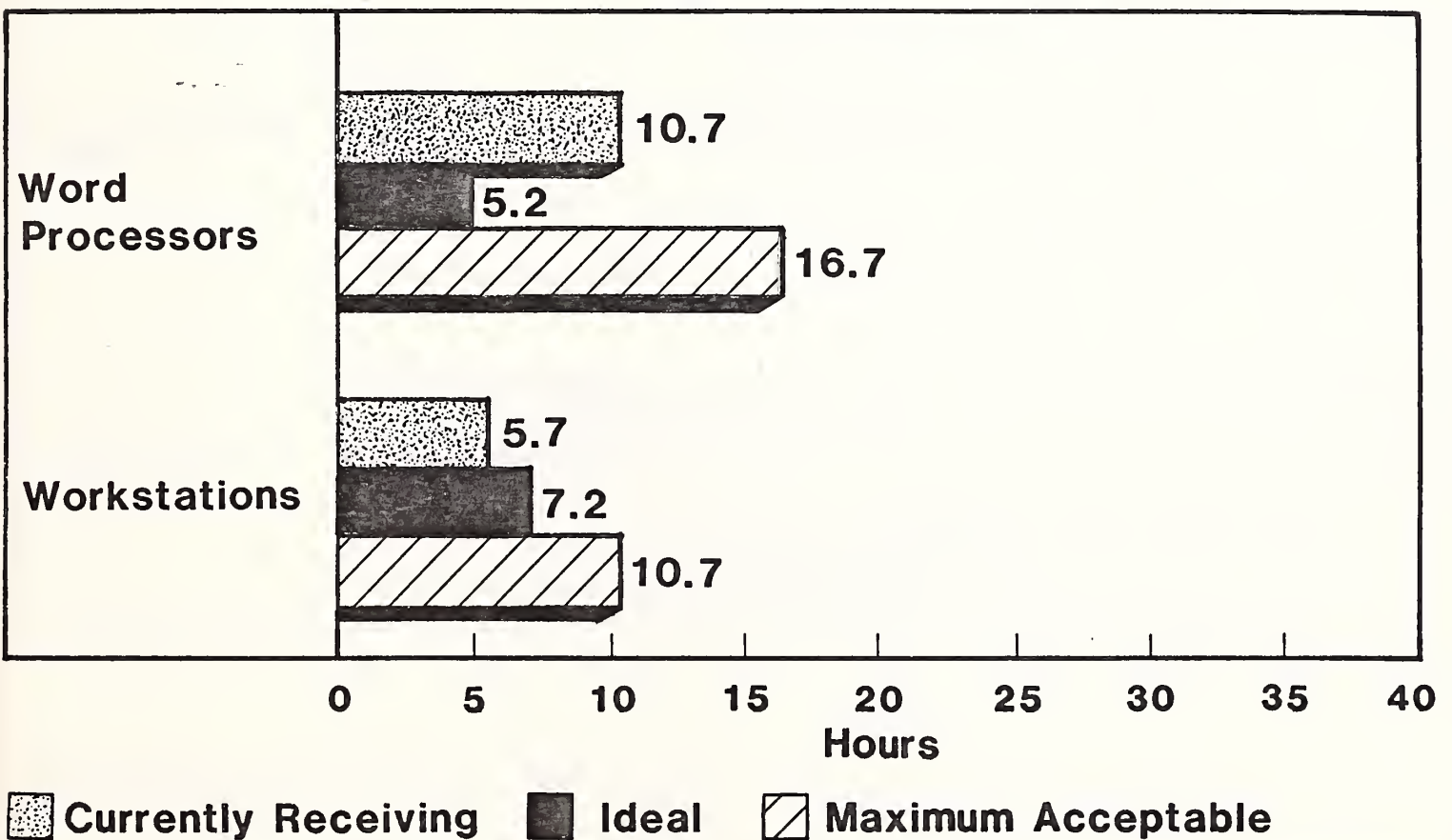


## SYSTEM AVAILABILITY ACTUAL COMPARED TO IDEAL





## TOTAL RESPONSE/REPAIR TIME - UNITED KINGDOM USER NEED AND VENDOR PERFORMANCE

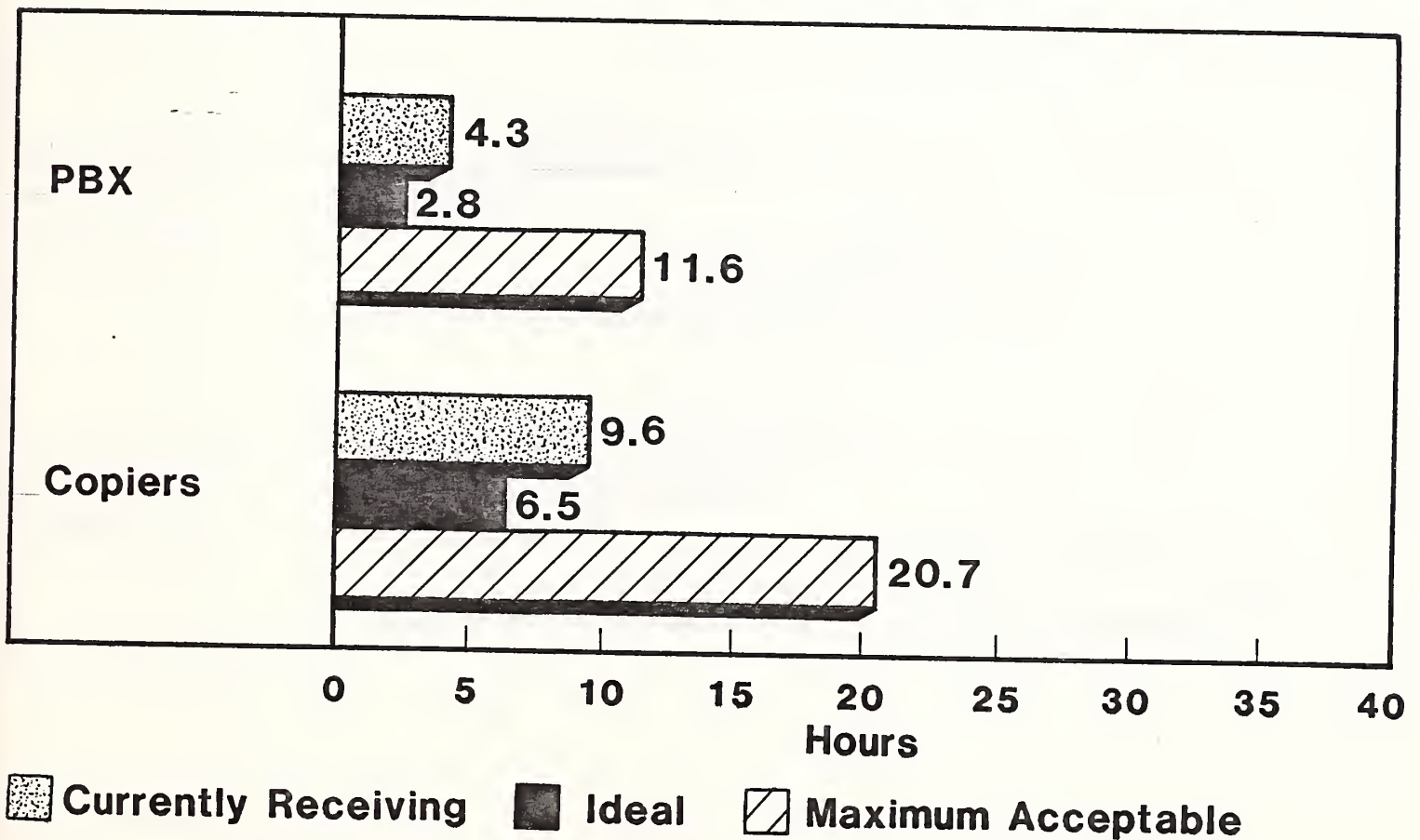


Source: INPUT Survey





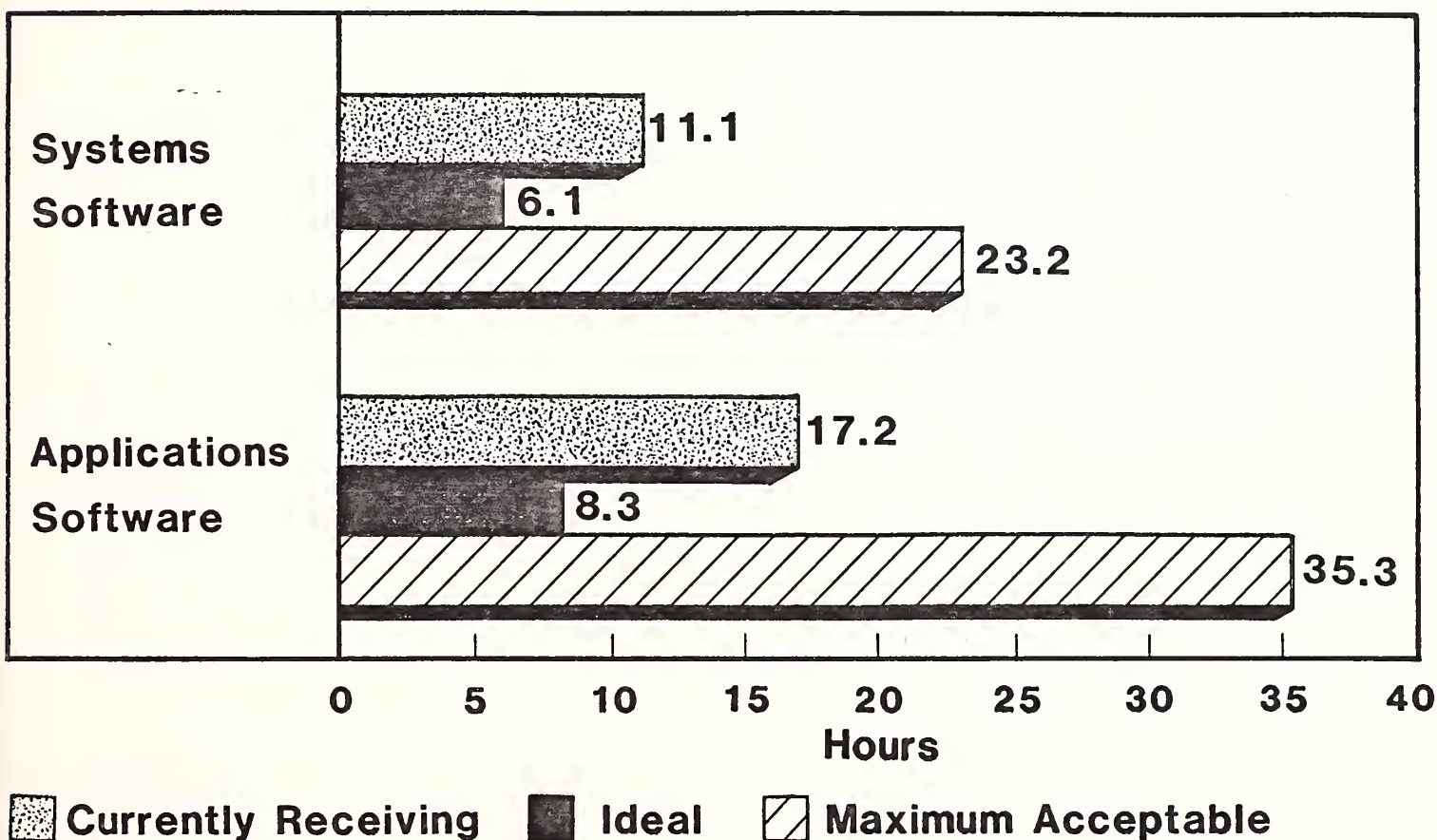
# **TOTAL RESPONSE/REPAIR TIME - UNITED KINGDOM USER NEED AND VENDOR PERFORMANCE**



Source: INPUT Survey



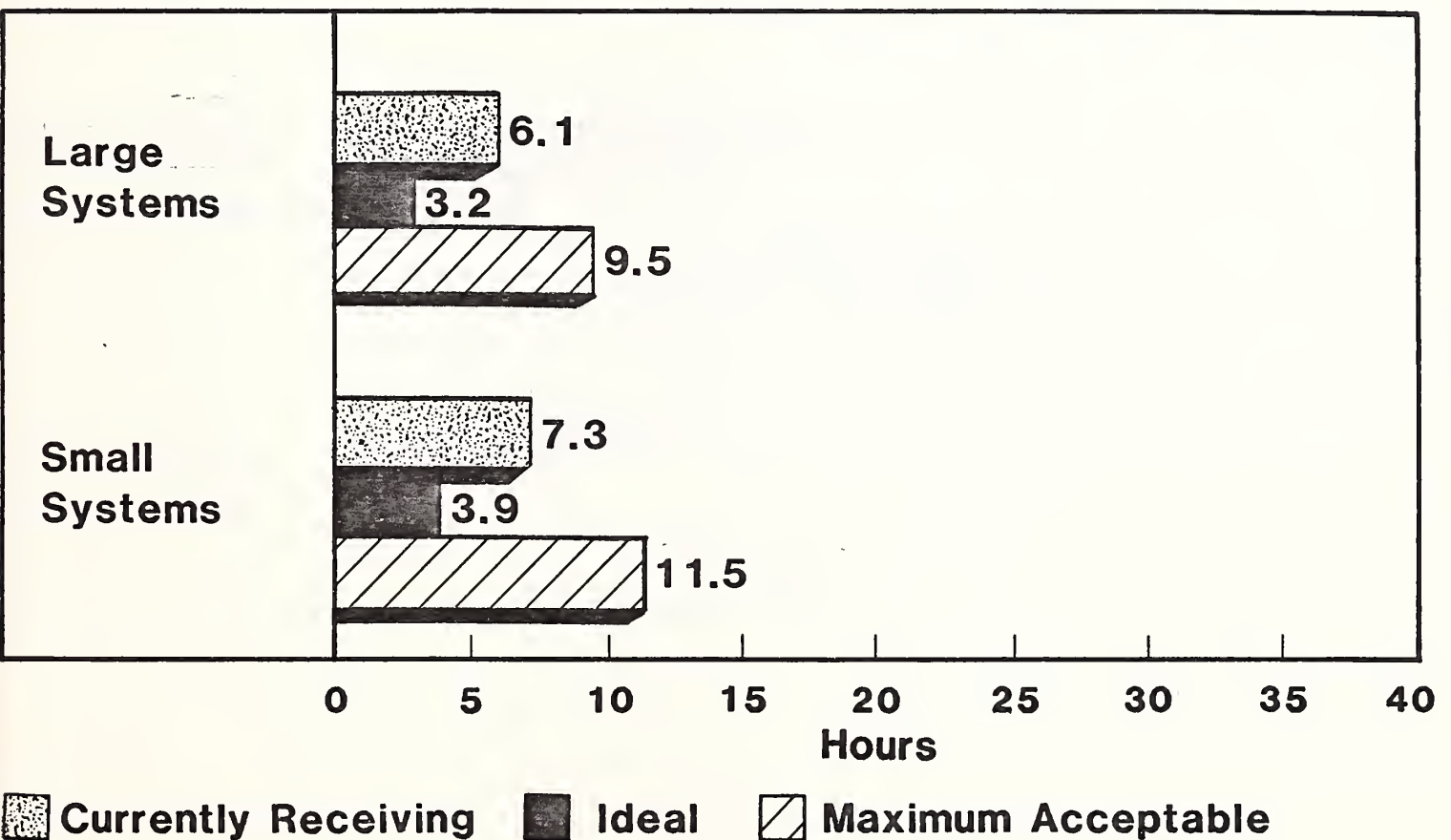
# **TOTAL RESPONSE/REPAIR TIME - UNITED KINGDOM USER NEED AND VENDOR PERFORMANCE**



Source: INPUT Survey



## TOTAL RESPONSE/REPAIR TIME - UNITED KINGDOM USER NEED AND VENDOR PERFORMANCE

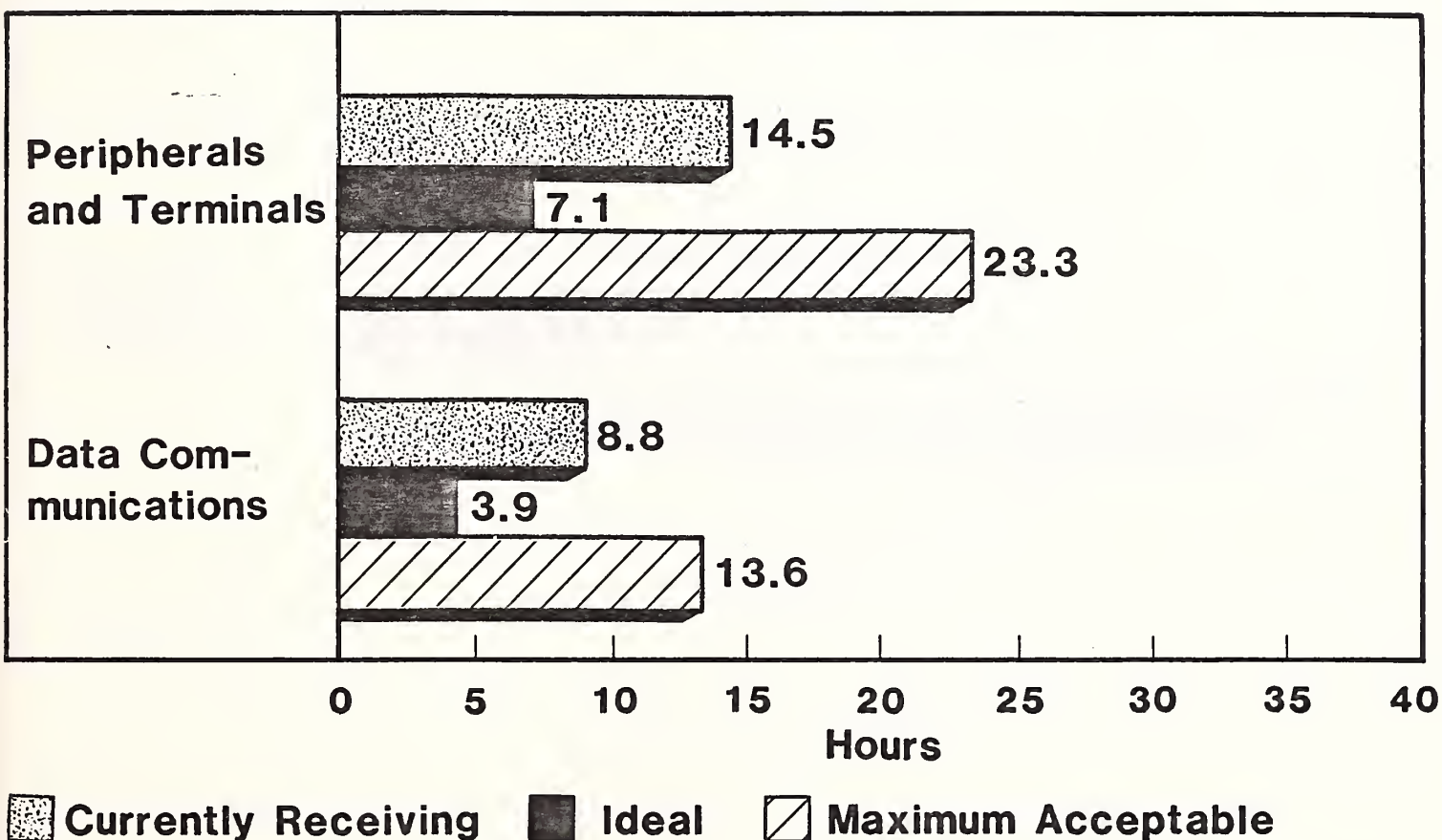


Source: INPUT Survey





## TOTAL RESPONSE/REPAIR TIME - UNITED KINGDOM USER NEED AND VENDOR PERFORMANCE

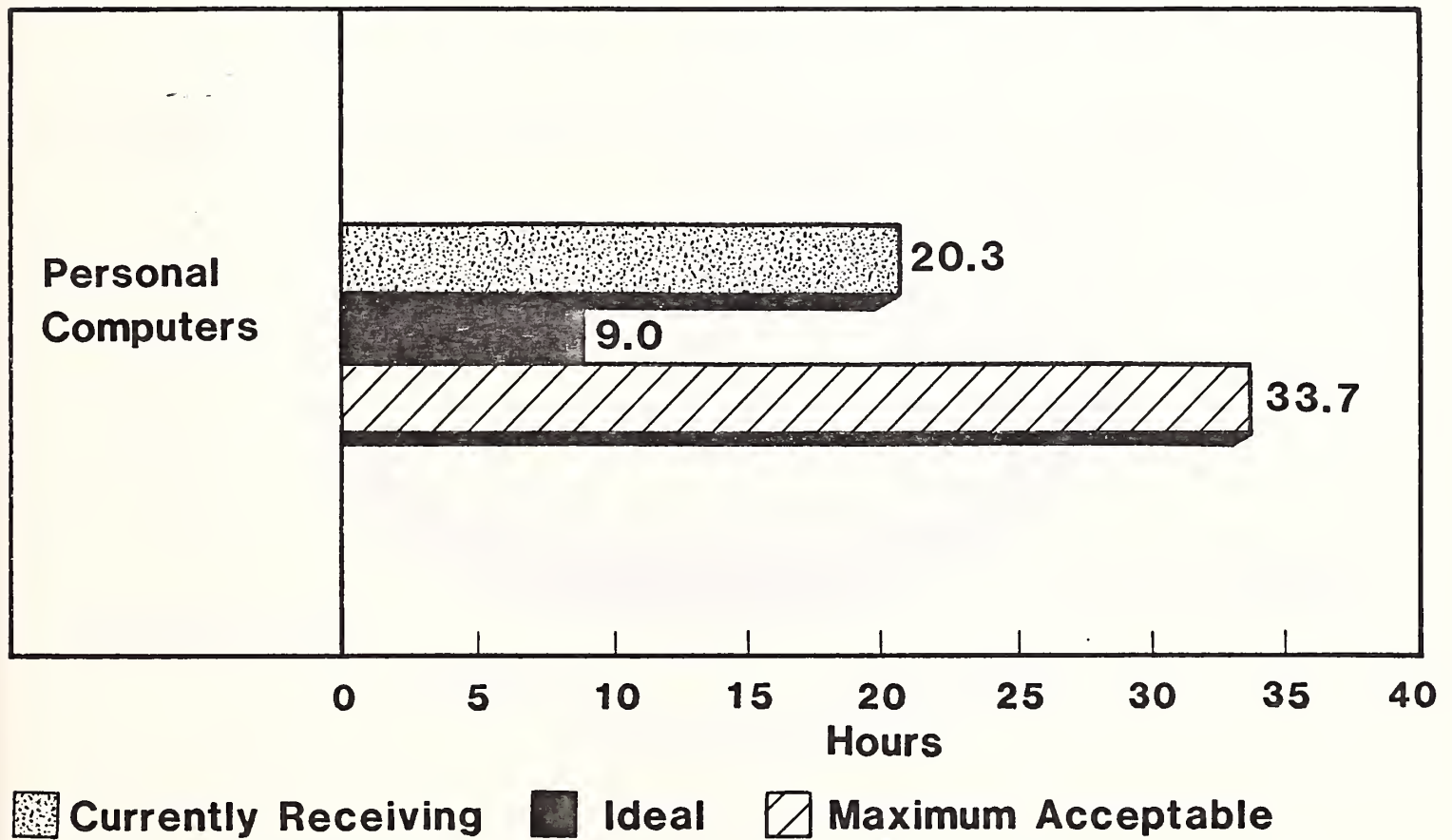


Source: INPUT Survey





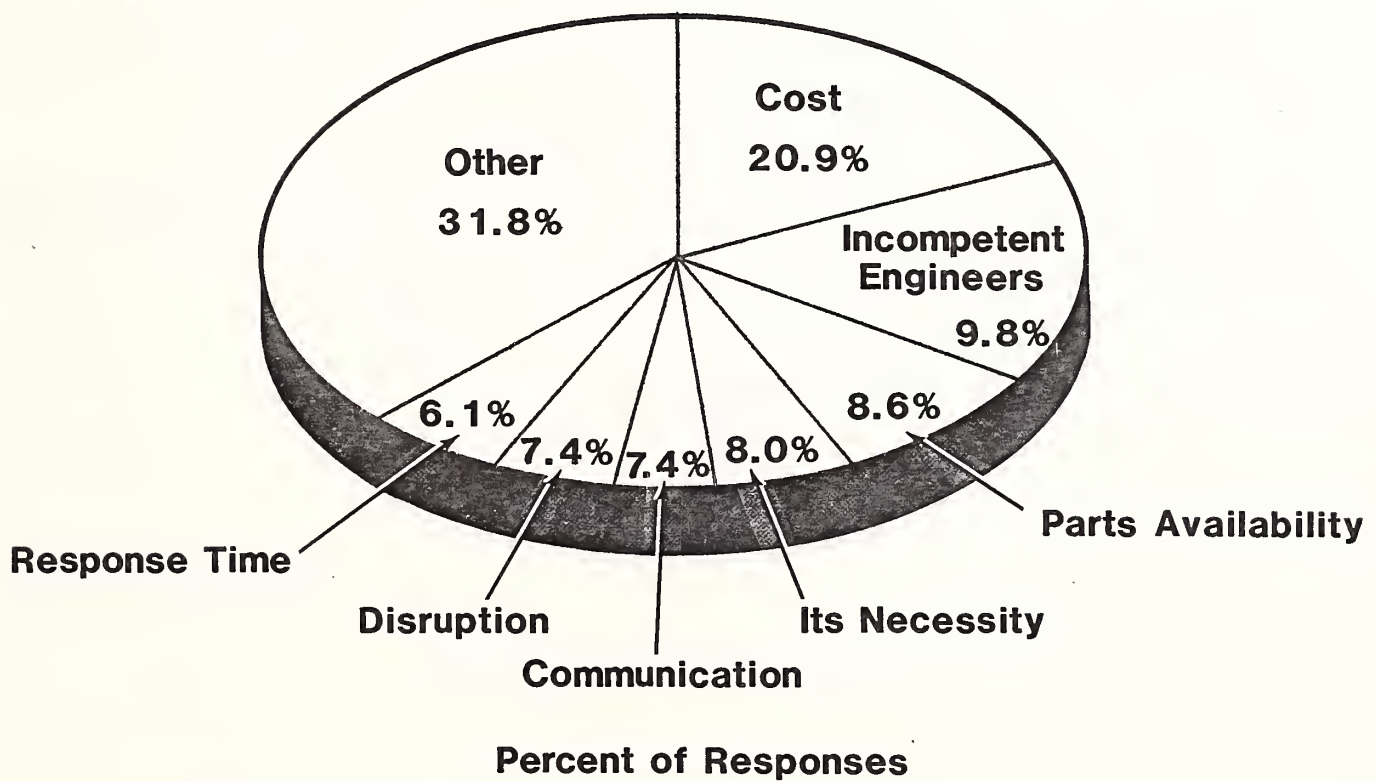
## TOTAL RESPONSE/REPAIR TIME - UNITED KINGDOM USER NEED AND VENDOR PERFORMANCE



Source: INPUT Survey

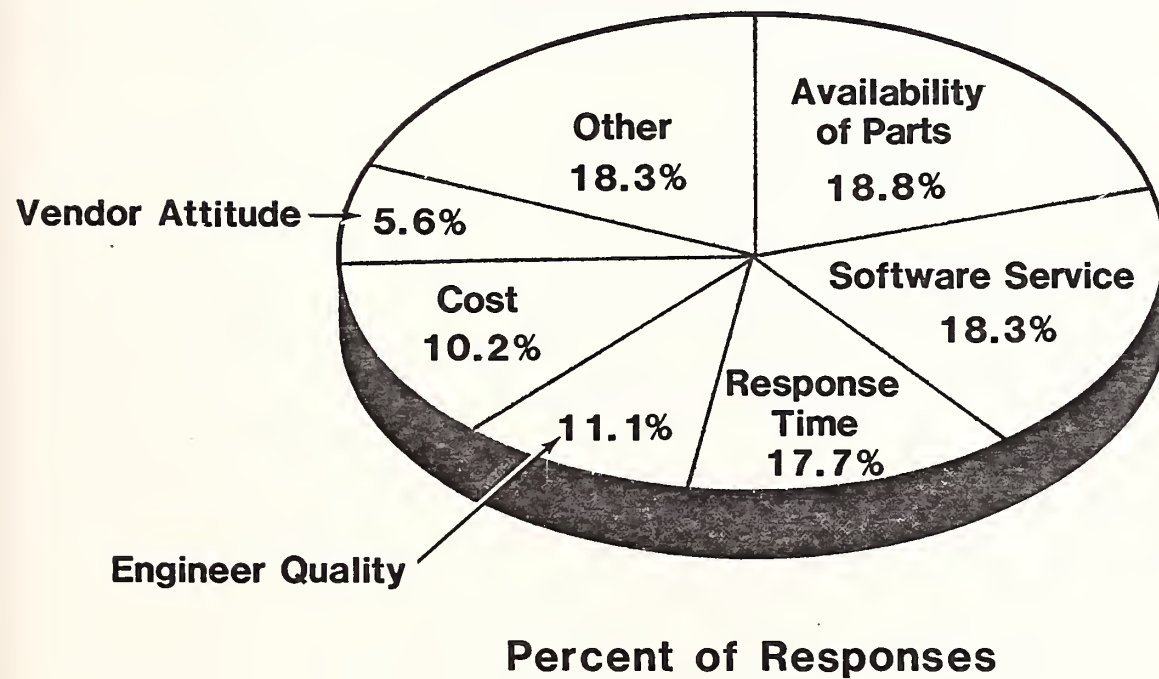


## MOST ANNOYING ASPECTS OF MAINTENANCE - EUROPE





## WORST FEATURES OF SERVICE USER VIEWS , EUROPE



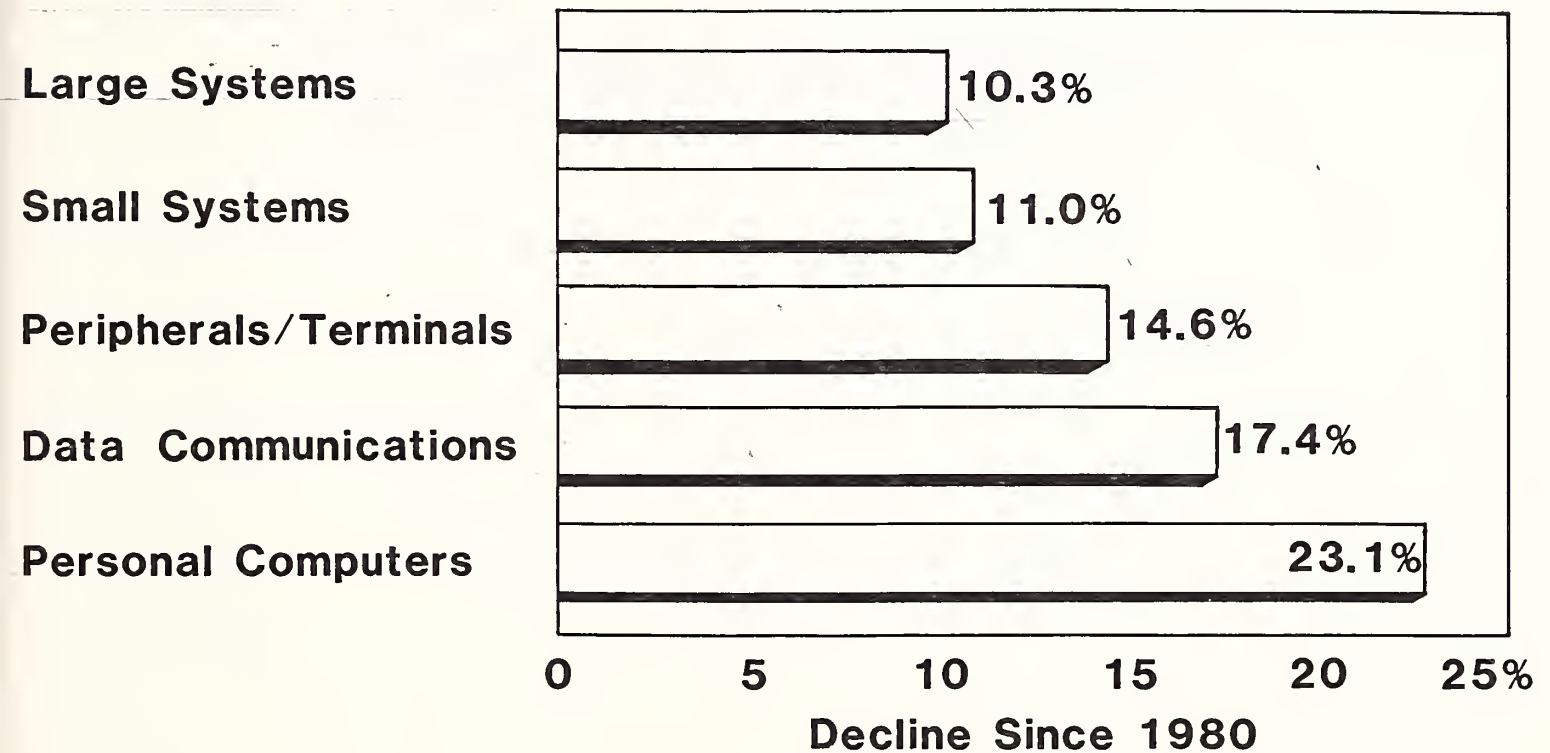


## **Service Pricing**





## REAL DECLINE IN SERVICE PRICES SINCE 1980



Source: INPUT Survey

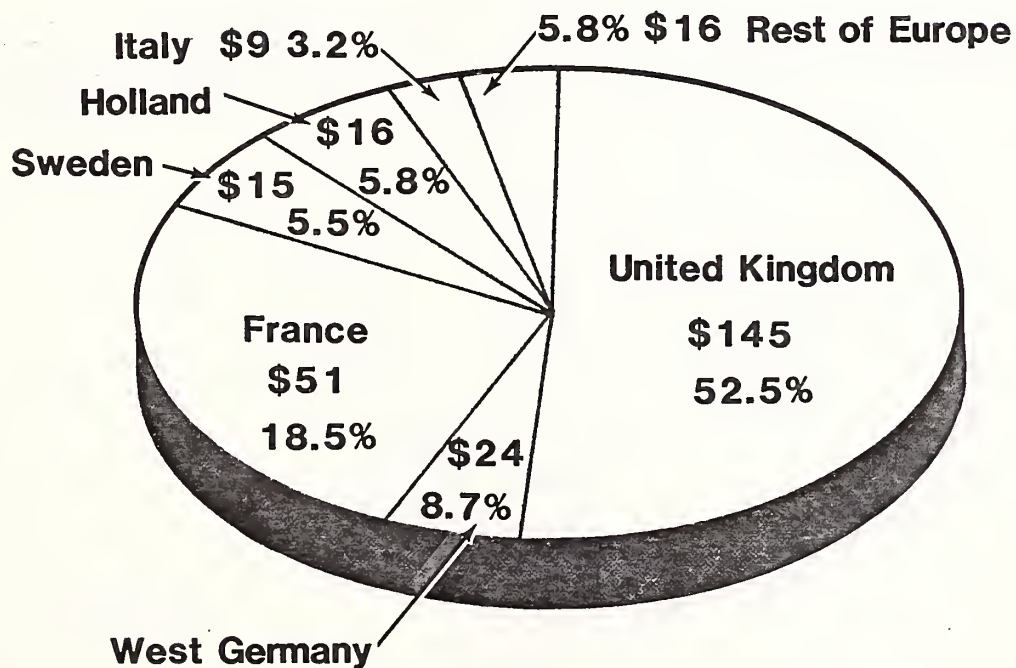


## **Independent Maintenance**



# WESTERN EUROPEAN INDEPENDENT MAINTENANCE MARKET 1985, BY MAJOR COUNTRY

(\$ Millions)



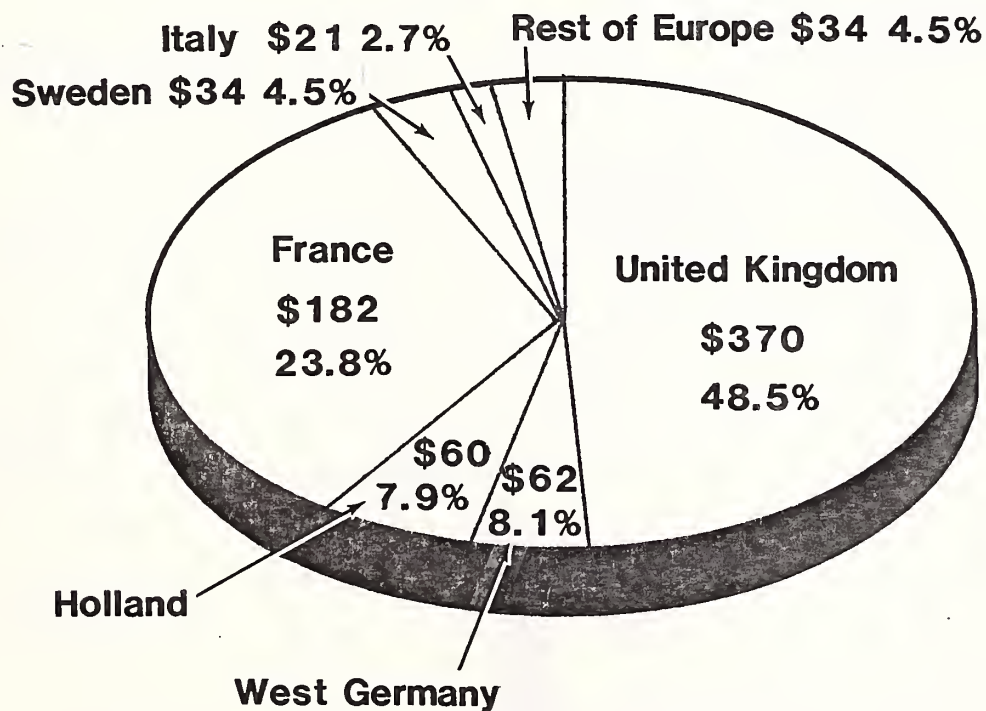
Total Market: \$276 Million

Source: INPUT Survey



# WESTERN EUROPEAN INDEPENDENT MAINTENANCE MARKET 1990, BY MAJOR COUNTRY

(\$ Millions)

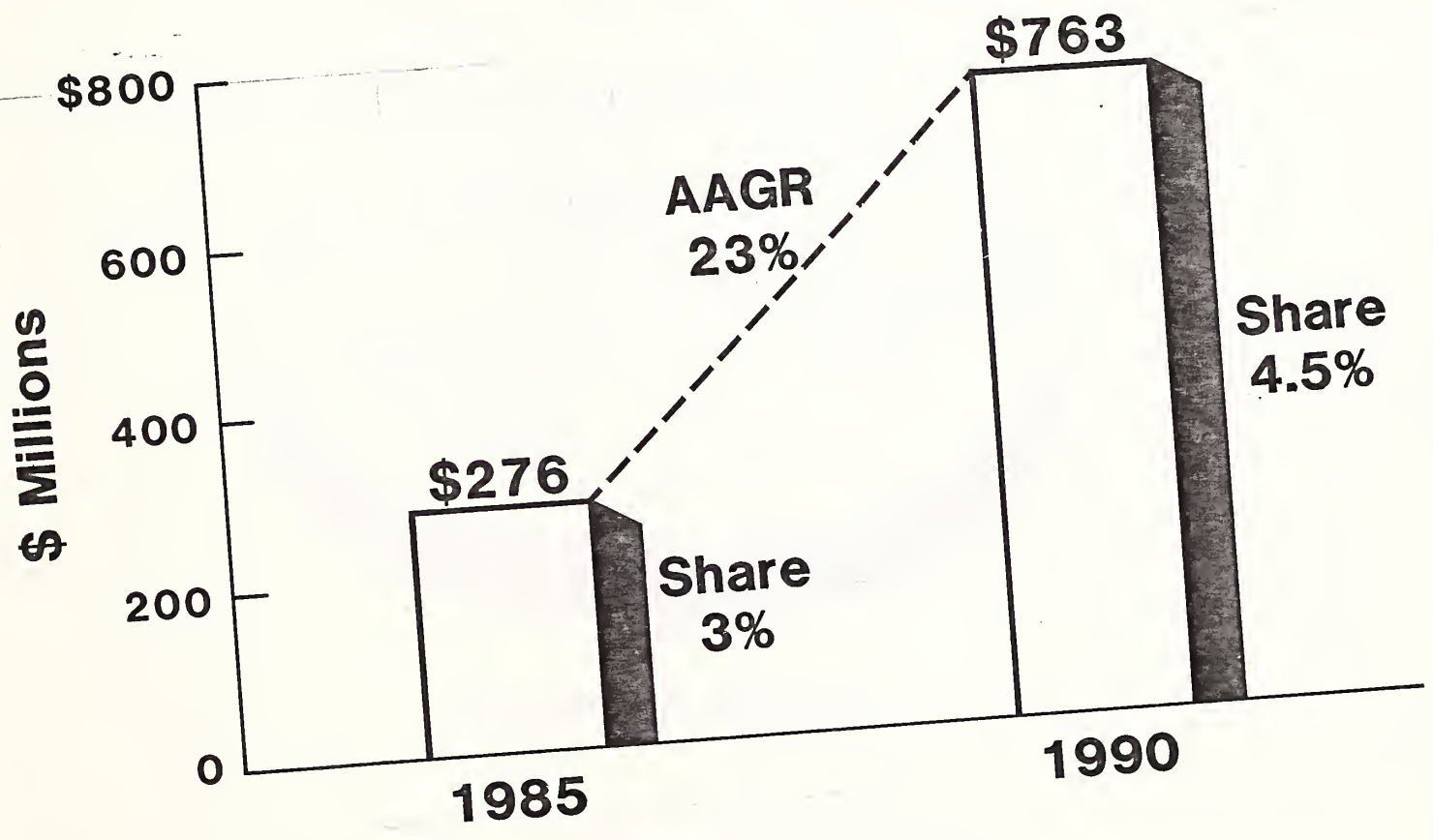


Total Market: \$763 Million



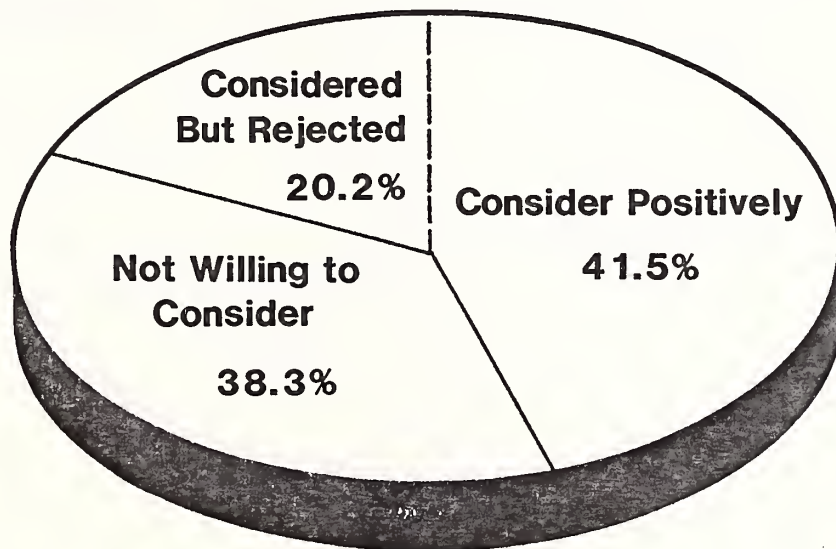


# TPM GROWTH IN EUROPE





**UNITED KINGDOM USERS' WILLINGNESS  
TO CONSIDER USING INDEPENDENT MAINTENANCE**

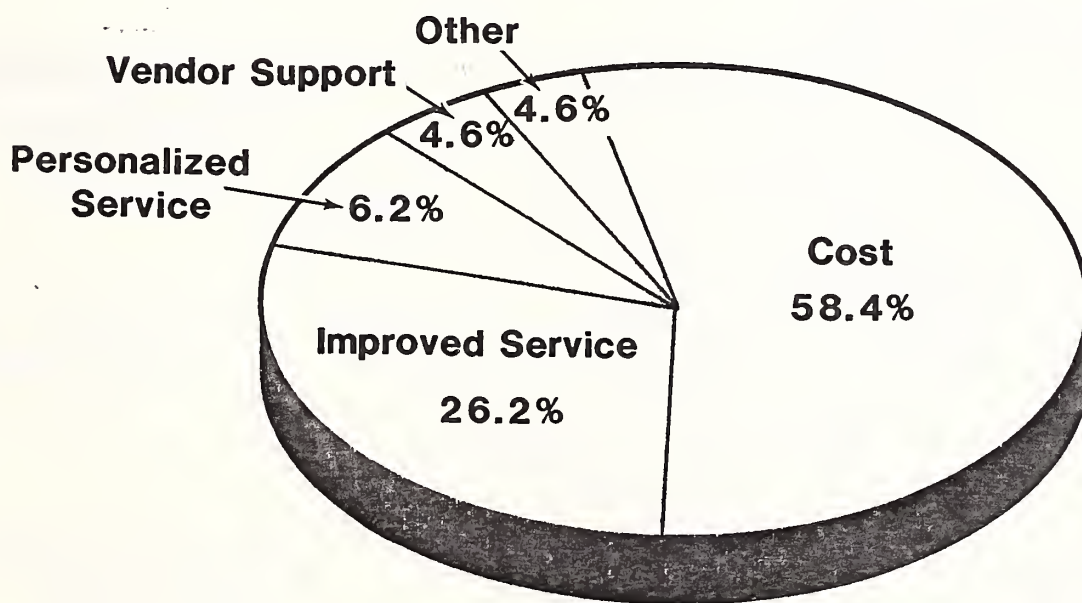


**Percent of Respondents**

**Number of Respondents = 188**



# UNITED KINGDOM USERS' REASONS FOR CONSIDERING INDEPENDENT MAINTENANCE

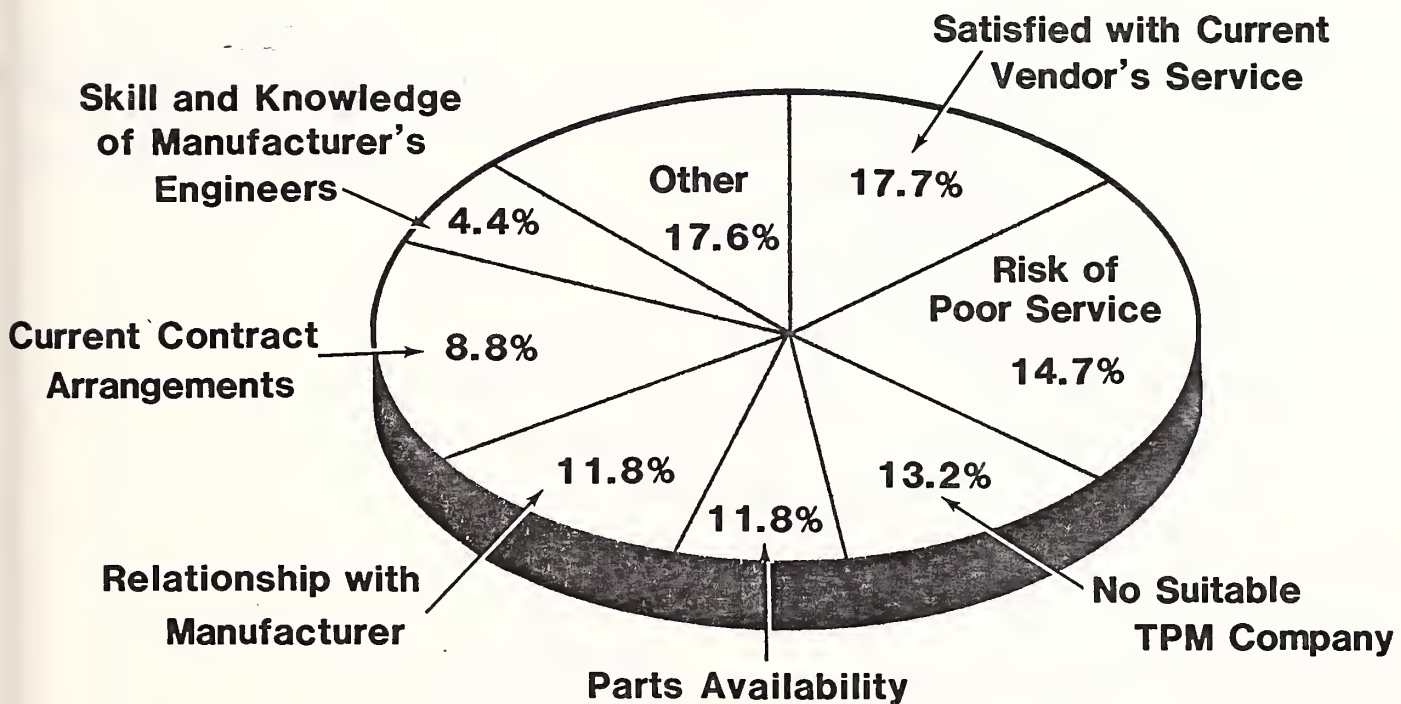


Percent of Reasons Given

Number of Respondents = 65



## UNITED KINGDOM USERS' REASONS FOR NOT CONSIDERING INDEPENDENT MAINTENANCE

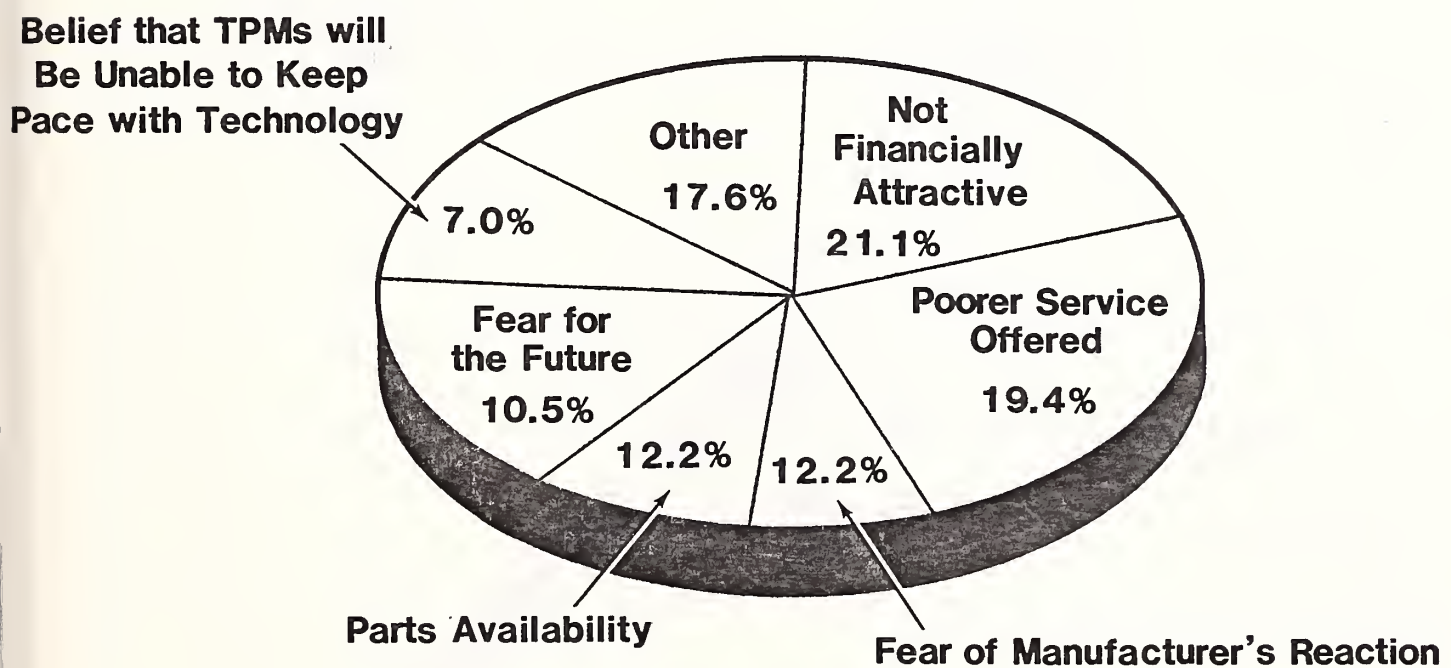


Percent of Reasons Given  
Number of Respondents = 116





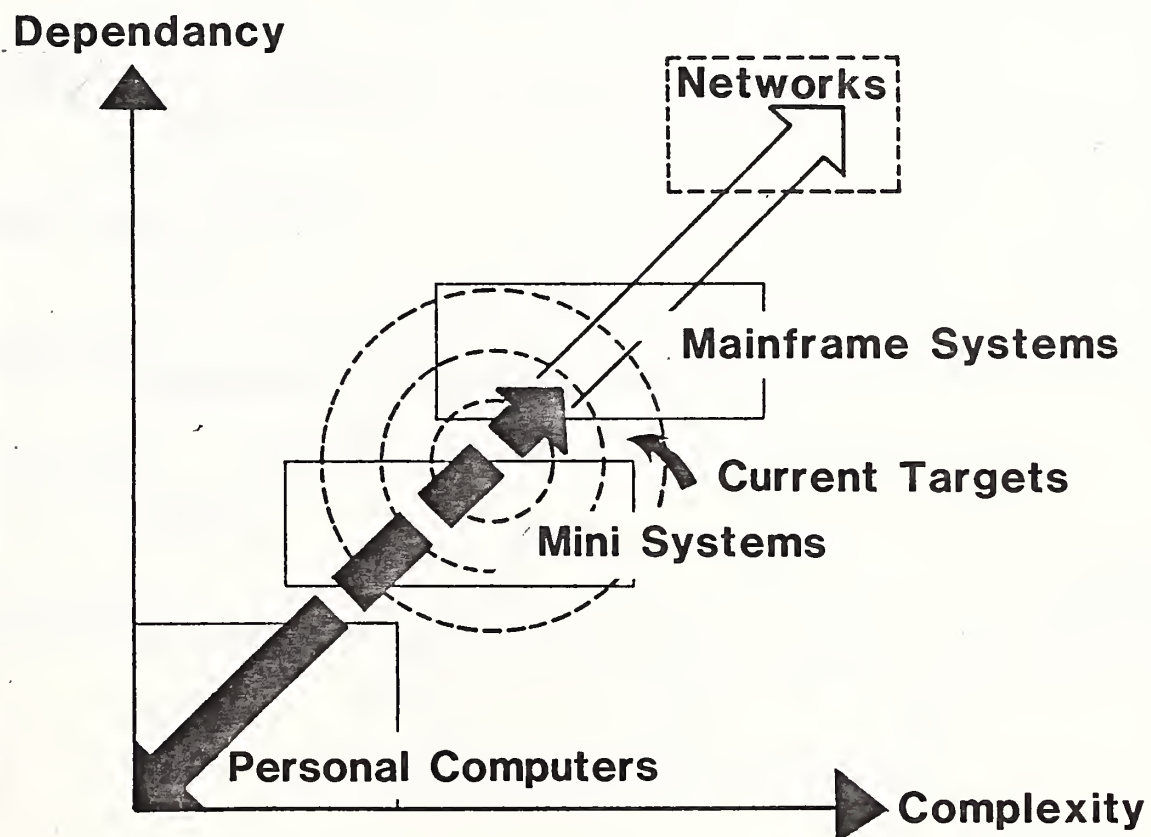
## UNITED KINGDOM USERS' REASONS FOR REJECTING INDEPENDENT MAINTENANCE AFTER CONSIDERATION



Percent of Responses

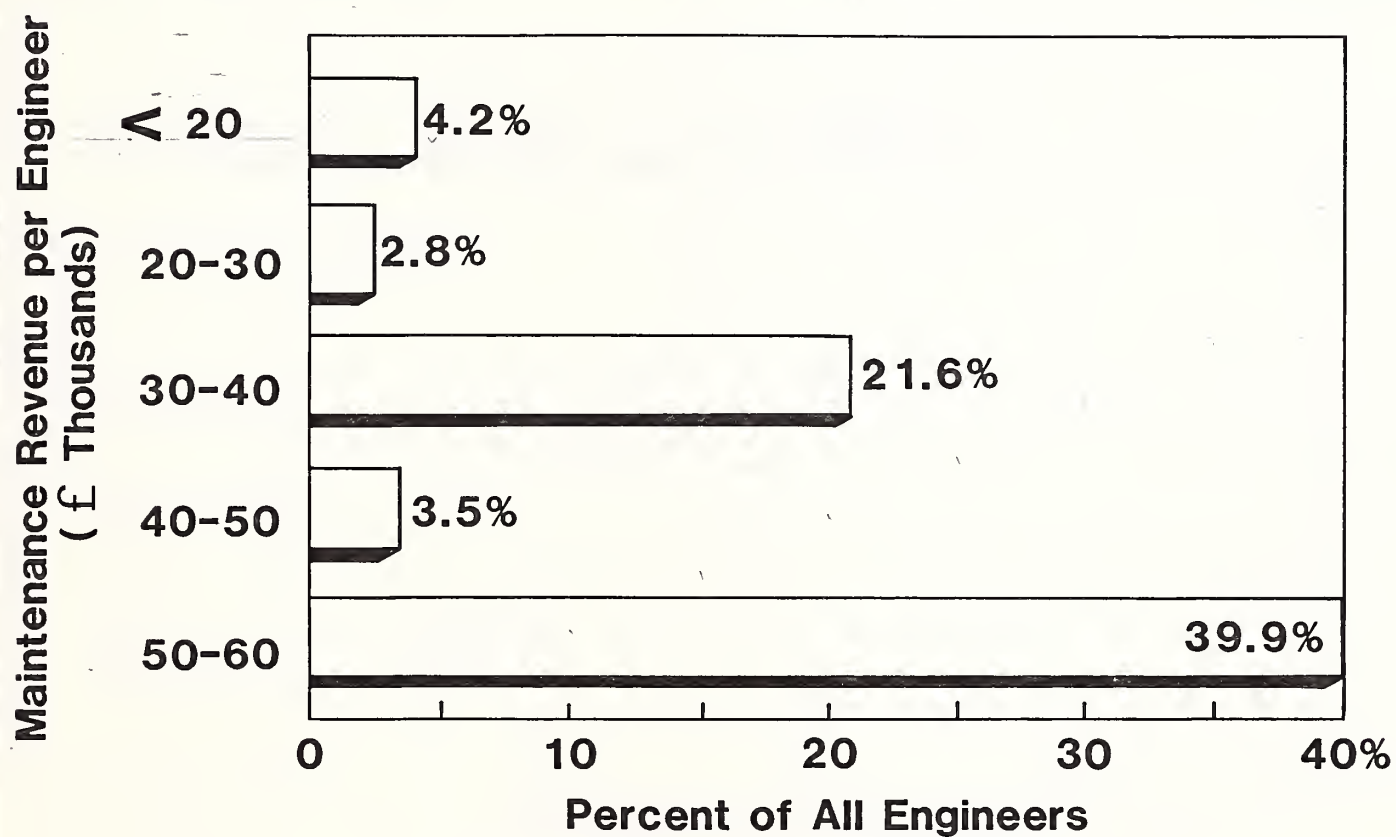


## THE INDEPENDENT MAINTENANCE TARGET (GOING UP?)



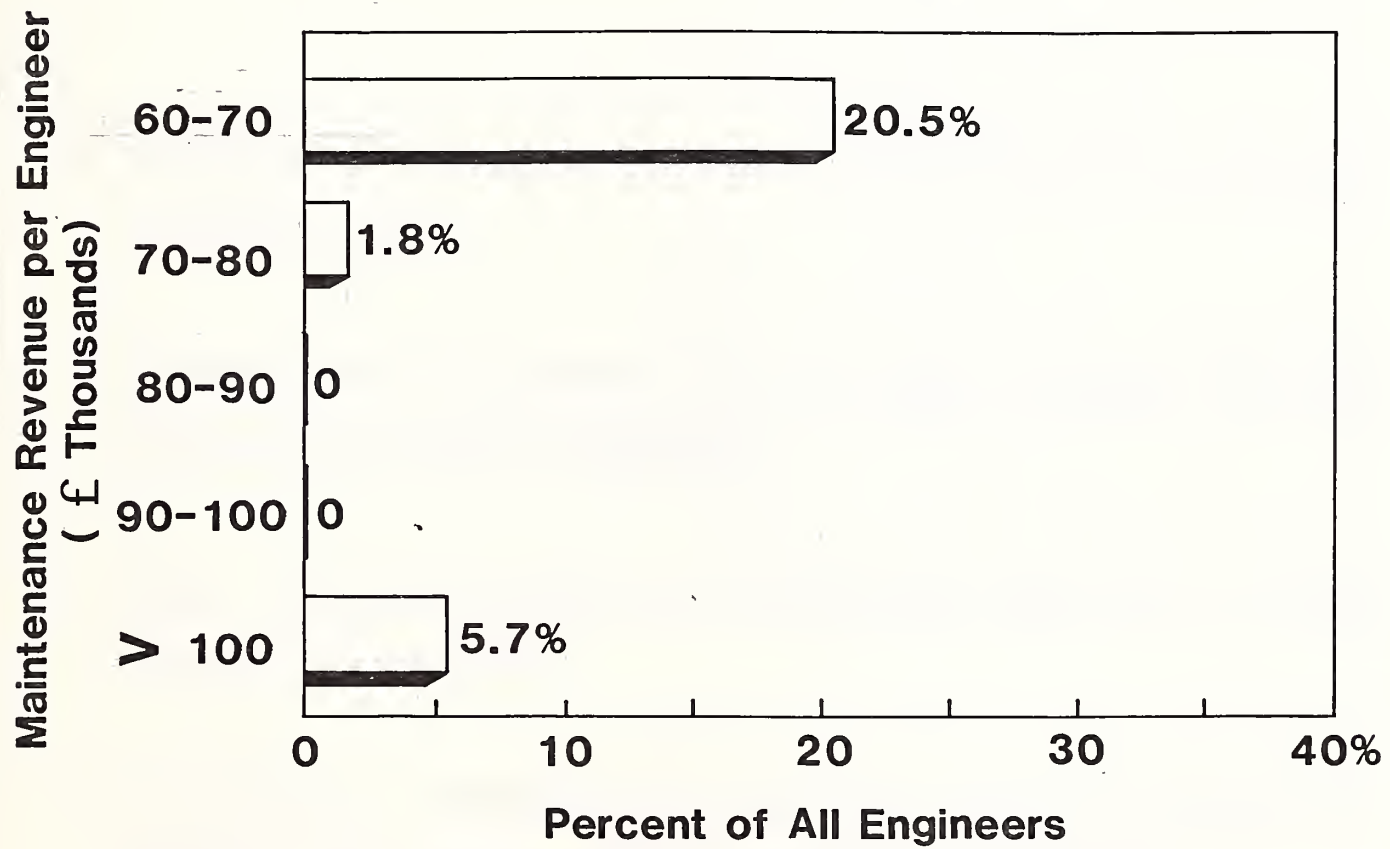


# MAINTENANCE REVENUE GENERATION BY ENGINEERS 1985, UNITED KINGDOM





# MAINTENANCE REVENUE GENERATION BY ENGINEERS 1985, UNITED KINGDOM







## **TPM KEY STRATEGIC ISSUES AS SEEN BY MANUFACTURERS**

- **Independent maintenance does not increase market size.**
  - **Mainframe vendors do not see a major threat from the independents.**
  - **But, independents are growing rapidly in their targeted areas.**
  - **Hardware manufacturers are not anxious to enter the competitive service market.**
-



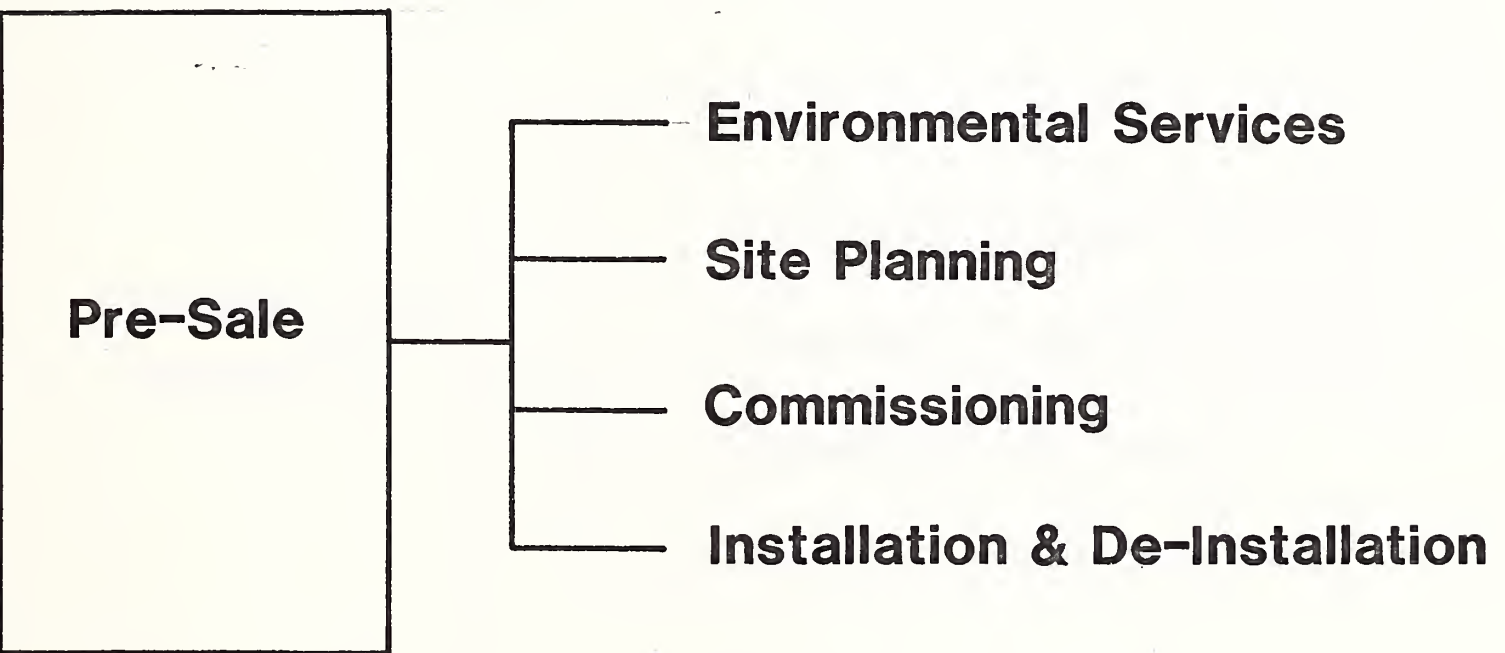
## Conclusions



- **Users Demanding Increasing Availability**
  - **Manufacturers Pursuing Different Sources of Service Revenue**
-



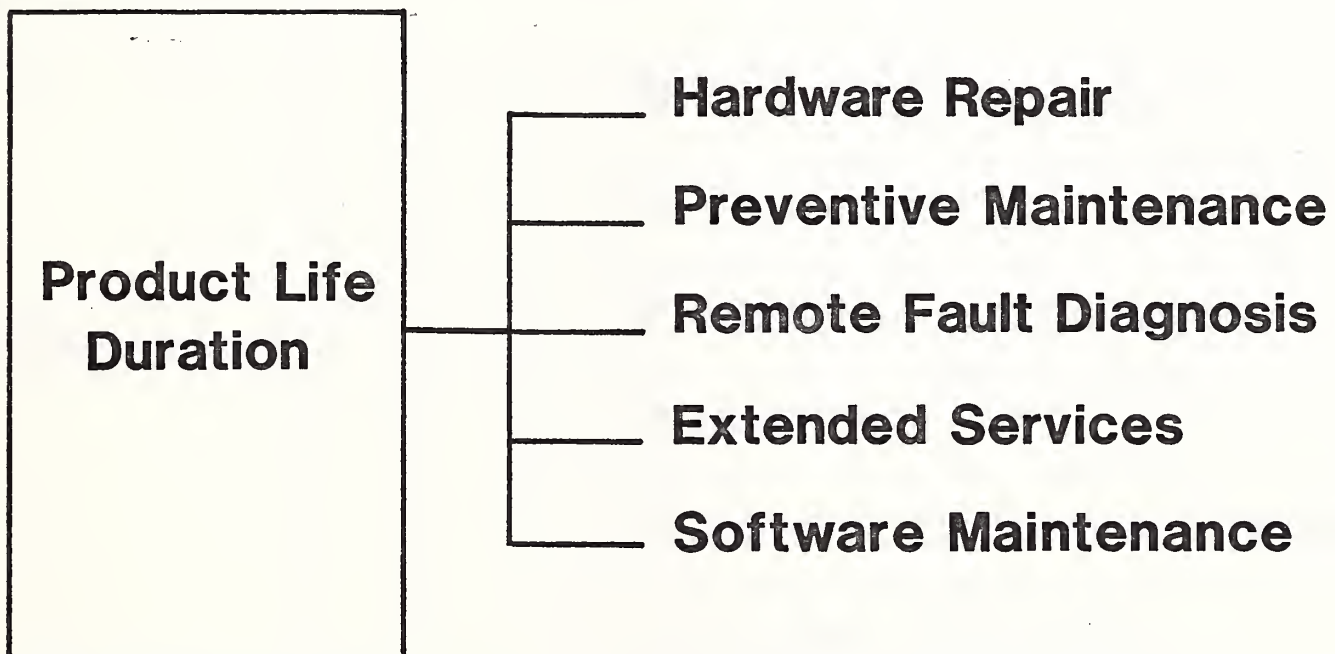
## COMPONENTS OF CUSTOMER SERVICE





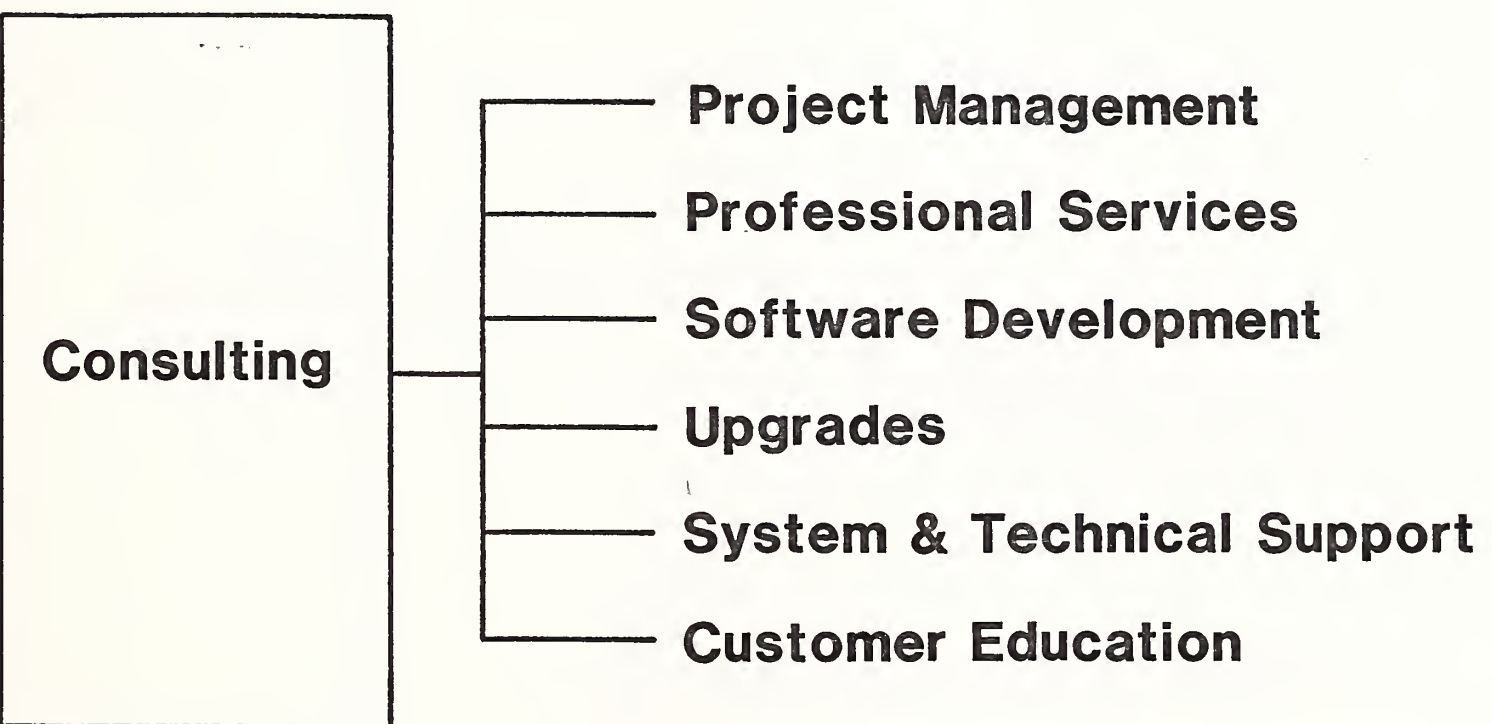


## COMPONENTS OF CUSTOMER SERVICE



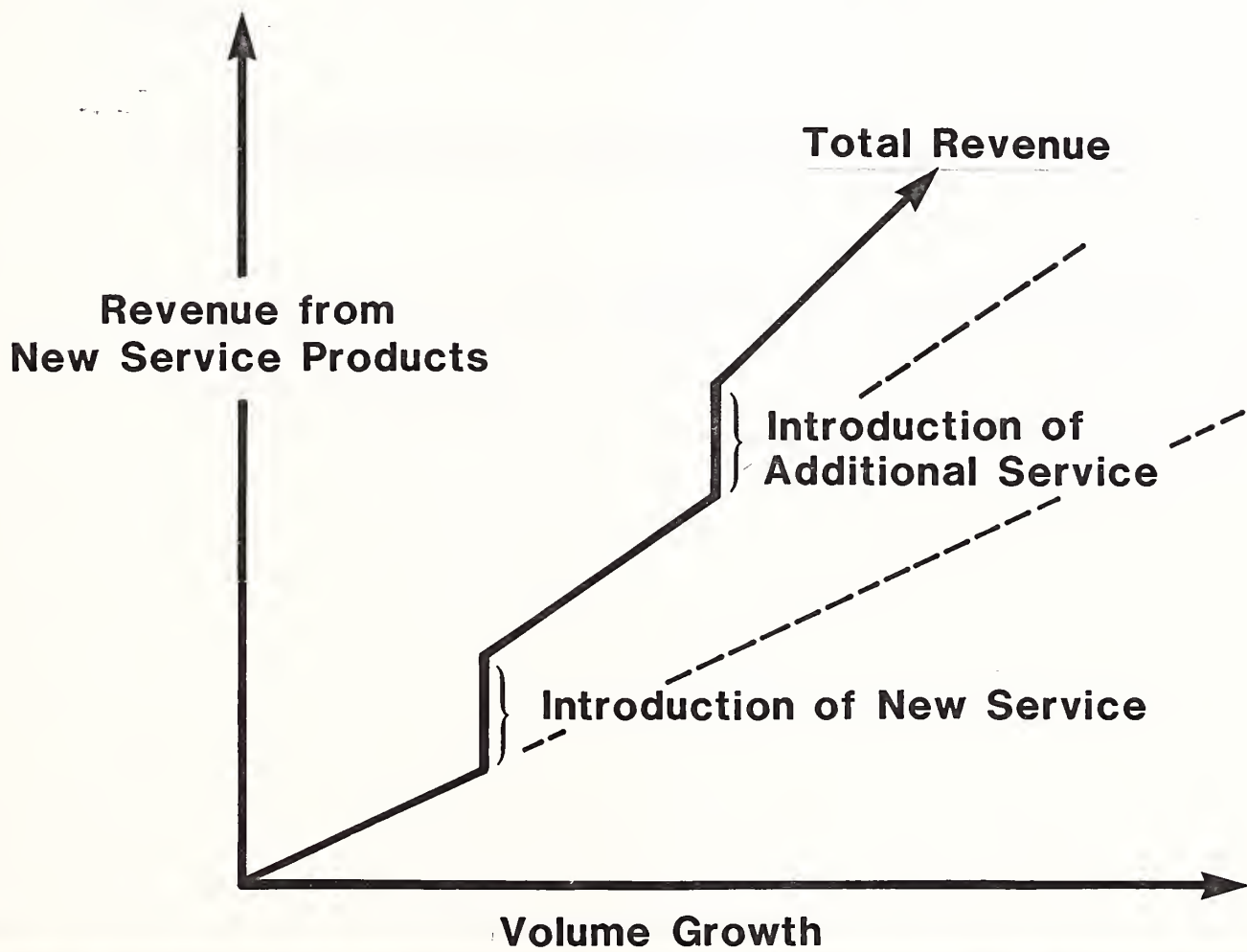


## COMPONENTS OF CUSTOMER SERVICE





## IMPACT OF NEW SERVICE PRODUCTS





- **TPM**
  - **Manufacturers Should Decide Policy**
  - **Fastest Growing Market for Hardware Maintenance**









